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ABSTRACT

The thirteen states that comprise the Southern Regional Education Board are Arkansas, Virginia, Georgia, Tennessee, West Virginia, Kentucky, Maryland, Mississippi, North Carolina, Florida, South Carolina, Louisiana, and Alabama. The economy was the big issue in the 1976 legislative session in each of these states. Falling state revenues made increases in higher education as well as in other state agencies virtually impossible. Topics related to education that were handled by the legislatures include enrollment increases caused by the tight job market; proposed tuition increases to supplement the state appropriations; coordination and governance of higher education; medical education programs; veterinary medicine programs; collective bargaining; aid to private education; student aid; and faculty salary increases. These topics are detailed in this state-by-state legislative report. (JMF)

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Summary of State Legislation Affecting Higher Education in the South 1976

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HE 008 424

Southern Regional Education Board

SUMMARY OF STATE LEGISLATION

AFFECTING HIGHER EDUCATION IN THE SOUTH, 1976

Prepared as a service of the

SOUTHERN REGIONAL EDUCATION BOARD
130 Sixth Street, N.W. -- Atlanta, Georgia 30313

November 1976

This publication contains reports on legislative action affecting higher education in the Southern states which held regular or special legislative sessions in 1976. The dispatches were prepared for SREB by professional journalists; any opinions expressed are those of the individual authors, not SREB.

INTRODUCTION

The economy was the big issue in statehouses across the South in 1976 legislative sessions. In several states revenue collections had dropped below expected levels. Many governors had ordered or were considering spending cuts to balance budgets in compliance with state prescriptions which prohibit budget deficits.

In a year of economic recession, state and nationwide, legislators found themselves trapped between falling revenues and rising requests for funding from state agencies. Caught in the economic whipsaw, higher education, like other state services, saw little hope of substantial appropriations increases. In addition, the task for higher education was compounded by the fact that the economic situation and tightening job market were encouraging students to enroll in colleges in greater than expected numbers rather than enter into the fight for scarce jobs. So higher education faced enrollment increases higher than any in ten years coupled with unlikely prospects for comparable increases in state funding.

In some states the prospects for unusually limited funding led to clashes in the legislature between proponents of elementary-secondary education and higher education. There were rarely clear cut winners in these debates, although in one state higher education received a four percent across the board cut while elementary-secondary education fared much better.

The economic forecasts did improve as the year progressed although some legislatures had adjourned before signs of the economic upturn materialized. While higher education funding remained virtually stable in a few regional states, such as Mississippi; in other states, such as Virginia and Kentucky, funding was increased by 25 percent or higher. Generally, however, higher education appropriations increased more in the order of 5 to 15 percent.

The fiscal squeeze increased the reluctance of most legislatures to create new taxes, although the Tennessee assembly passed a much debated one-cent increase in the state sales tax. However, most of the legislatures attempted to reduce budget requests and delay projects until the economy improved.

By no means did higher education dominate the legislative session in 1976, but a number of related topics drew close attention in several states.

Rising faster nationally in 1975-76 than it had in almost a decade and growing by eight percent in the South, enrollment caused concern to both educators who had to accommodate the larger than anticipated influx of students and legislators who were faced with funding requests for the increased number of students.

While the legislatures increased state appropriations to higher education moderately in total, in several states the large enrollment increases and the effects of inflation prompted the legislature or other state agencies with the authority to increase tuition to do so. Tuition increases generally averaged about 10 percent

Coordination and governance of higher education continued to be of legislative concern. A strengthened coordinating board was established in Maryland and the South Carolina legislature considered but did not pass a similar bill.

Medical education programs sparked controversy in several legislatures. The South Carolina legislature debated and eventually reaffirmed its commitment to the developing USC medical school which it first funded in 1974; Texas and West Virginia are also developing new state-supported medical schools which involved appropriations in the 1975 sessions. Virginia and Maryland legislatures considered reports prepared for them and in both cases the reports recommended that the state not proceed unilaterally to establish a school of optometry.

In veterinary medicine developments, appropriations for 1976-77 in Tennessee were less than school officials had planned and they warned of possible reduction in class size. The Mississippi legislature previously endorsed the establishment of a school and appropriated funds for planning and staffing, but the 1976 session did not appropriate construction funds. State higher education officials announced, however, that the school will open in the fall of 1977 with the anticipation that clinical facilities will be completed in time to accommodate students. North Carolina's 1976-77 budget contains one-half million dollars for veterinary medicine planning.

Collective bargaining was a non-issue in most legislative sessions in 1976. The economic plight of New York City which some people felt was aggravated by the employee benefits of unions, plus major teacher strikes in a number of large cities, apparently contributed to a very unfavorable climate for collective bargaining proponents.

Aid to private education, student aid, and faculty salary increases are among other topics which are detailed in the state-by-state legislative accounts which follow.

Mark D. Musick
State Services Officer

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ARKANSAS Richard Allin, The Arkansas Gazette

A study by Legislative Council staff "...had the effect of discouraging any movement...to start a state-supported dental school."

LITTLE ROCK, March 15--The Arkansas General Assembly, in its three-week "extended" session which adjourned in February, merely corrected a few oversights and made minor adjustments to the status of higher education.

The legislature "extended" the 1975 biennial session into 1976, instead of adjourning sine die under regular rules, for several reasons. The 1975 General Assembly had created a special constitutional convention with appointed delegates to address a limited area. Because of the unusual nature of the convention, some legislators felt that it might be declared unconstitutional, which it eventually was. They wanted to extend the regular session to meet such an eventuality by being able to refer amendments under the legislative process, since special sessions cannot deal with amendments.

Another reason for the session's extension hinged on the state's inability to forecast revenue collections and, therefore, finalize the budget during the regular session. Finally, the legislature "extended" the session as part of its growing desire to assert its role as an independent branch of government. Lawmakers said they wanted the flexibility that they would not have if the governor had called them into special session and limited the subjects they could consider.

Appropriations for Pine Bluff and Little Rock

The extended session, which opened in January, appropriated about $108,000 to erase faculty salary differentials at the University of Arkansas at Pine Bluff (UAPB) as compared to other institutions in the University of Arkansas system. UAPB is the successor to the formerly all black Arkansas AM&N College, and is still predominantly black. The appropriation had been requested by the state Department of Higher Education, and was approved by the governor.

An appropriation of $100,000 was made for the law school of the University of Arkansas at Little Rock for the purpose of upgrading its library. Currently about 300 students are enrolled in this branch of the law school. The main law school is located on the Fayetteville campus of the University of Arkansas.

Findings of Dental School Study

Of most significance to higher education in Arkansas is the finding of a recent study made by the Arkansas Legislative Council staff. It has had the effect of discouraging any movement in the state to start a state-supported dental school. Arkansas at present has no college of dentistry. The state now pays $477,082 for 116 training spaces for Arkansas dental

students to attend out-of-state dental schools through the Southern Regional Education Board's contract program. Nationally, Arkansas has a total of 151 contract spaces for dental study, making the total appropriation for the program $571,683.

Interest simmers from time to time in Arkansas to give the state a dental school all its own. There's similar support for creation of a state-supported veterinary school, but that's not the current question.

Several months ago, state Representative Lacy Landers of Benton asked the staff of the Legislative Council to determine the feasibility of establishing a dental school in Arkansas.

Specifically, the proposal to be considered was to move all the patients from the modern Little Rock unit of the State Hospital for Nervous Diseases out to the older Benton unit. The Little Rock buildings could then be remodeled into a college of dentistry. It would be located directly across the street from the University of Arkansas College of Medicine.

If implemented, the proposal would not only give Arkansas a dental school, it would also upgrade the Benton unit's role as a mental health center. Benton residents have long felt that the local mental health facilities were offering no more than nursing home care and want to increase the center's scope by beefing up the facility with an intensive care mental health program, with an eye to one day becoming the regional mental health facility to serve south Arkansas.

Prospects dimmed as the study advanced. Initially, a comprehensive study would be required to determine the cost of the transformation. And, it had been learned that the State of Mississippi, in 1972, estimated that it would cost at least $13,750,000 to build a new dental school. Once the school was created in Arkansas, the staff determined, it would cost about $2.4 million annually to support it. That is about $2 million more than the state now pays to help support Arkansans attending out-of-state schools.

The question, therefore, has been effectively shelved for the time being.

The next regular session of the Arkansas General Assembly is in January 1977.

VIRGINIA Allen R. McCreary, The Richmond News Leader

"...25 percent more operating funds for colleges...welcomed by college presidents who had feared for the worst..."

RICHMOND, March 29--The 1976 General Assembly increased general fund appropriations for operating public colleges and universities by 25 percent for the 1976-78 biennium, but killed controversial tax proposals that would have funded $63 million in new college buildings.

Only $25 million in new taxes survived a proposed package of $97 million which Governor Mills E. Godwin, Jr., said was needed to finance new college buildings and new facilities for mental health and corrections. The governor's tax proposal was keyed to a four percent coal severance tax which would have provided some $50 million of the total package.

In the interim between the governor's proposal and the final agreement on the $25 million in new taxes, the assembly rejected several alternative tax proposals, including new taxes on gasoline and cigarettes and an income surtax. The coal severance tax, after several compromise revisions, including a downward adjustment to two percent, died under a hail of opposition from southwest Virginia legislators.

The $25 million for the biennium will come from new taxes on beer, liquor and wine and corporate and bank dividends. A penny-a-can beer tax and removal of the century-old exemption on Virginia bank and corporate dividends were included in the initial Godwin tax proposal. A total of $19 million of the $25 million will go for air-conditioning several state mental hospitals.

The only major building project approved by the legislators was a $99.8 million hospital construction and renovation program for the Medical College of Virginia (the health sciences division of Virginia Commonwealth University), but that project will be financed with a bond issue rather than tax funds. The only scrap of capital outlay money for higher education left in the $25 million tax package was $486,000 for site work and utilities for a new law building for the College of William and Mary.

In a somewhat unusual move, the Assembly gave the governor the authority to allocate $5 million for the construction of the William and Mary law school building if the site work and utilities funds are not sufficient to prevent the threatened loss of accreditation of the law school.

Measures Affecting Higher Education

The controversy over proposed taxes and capital outlay projects dominated most of the closing weeks of the session, but several other measures affecting higher education were enacted, including:

+++A requirement that all prospective teachers graduating from Virginia colleges have a fifth-year internship in the classroom before taking a job as a teacher. The effective date is the 1981-82 school year.

+++A new revenue formula committing the state to providing 70 percent of total educational funds of public colleges and requiring the institutions to raise 30 percent of these total funds from tuition and fees. Community colleges were not included in the act.

+++A bill directing the Council of Higher Education to conduct a study of the feasibility of establishing a regional school of optometry in Virginia. The study will seek to determine the willingness of surrounding states to participate in and support financially a regional school.

+++An increase from $4 million to $8 million in the Tuition Assistance Grant and Loan Program will provide grants of approximately $400 to Virginia resident students attending the state's private colleges. Beginning with the freshman class this fall, the grants will replace loans over a four-year period. An additional $2 million in the College Scholarship Assistance Program will provide aid based on financial need to students in either public or private colleges in the state. The Council of Higher Education administers both programs.

+++A bill which clarified the responsibilities and authority of the state Secretary of Education, but which was amended to remove a provision making the secretary a member of the Council of Higher Education, the State Board of Community Colleges and the State Board of Education.

+++A reduction from 65 to 62 as the eligible age for senior citizens to take tuition-free courses at public colleges and universities. Those with taxable income exceeding $5,000 a year may audit or enroll in non-credit courses, but must pay tuition if courses are taken for credit.

+++A bill creating an independent board of visitors for Christopher Newport College, which is now governed by the board of the parent institution, the College of William and Mary.

+++A resolution directing the Council of Higher Education to develop articulation agreements to promote the orderly transfer of credits between community colleges and public senior colleges.

(This resolution was one of several which grew out of the General Assembly's Joint Legislative Audit and Review Commission evaluation of the state community college system last year. The other resolutions, one calling for establishment of a student classification system based on educational goals and another relating to admissions standards, were defeated by the House of Delegates' education committee.)

+++A Public Records Act, which requires institutions to begin a records management system.

+++A bill prohibiting a requirement that a person disclose his or her social security number unless it is required by federal or state laws.

+++A resolution requiring the Virginia Advisory Legislative Council to conduct a study of health education programs in the public schools with special attention to be given to an examination of the supply of trained health educators.

+++Establishment of a Virginia Board of Behavioral Sciences with authority to establish minimum certification standards for psychologists, school psychologists, counselors and social workers.

Among the more significant bills which were killed or carried over to the next session of the legislature was a bill originating in the House of Delegates which would have required college boards of visitors to meet in public session.

Also carried over to the next session were bills that would have:

+++Required building alterations on several campuses to improve accessibility of facilities to handicapped persons.

+++Prohibited the levying of mandatory student activity fees unless those fees have been approved by a student referendum. This bill was carried over at the patron's request. Several organized student groups opposed it because it jeopardized campus newspapers and other fee-supported activities.

+++Authorized administrators of the six regional continuing education consortia to be employed by the Council of Higher Education.

+++Reduced from one year to six months the length of time a student must have lived in Virginia to qualify for resident status for tuition purposes.

Bills Defeated

The Senate Education and Health Committee killed by a 12-3 vote a proposal to establish a law school at George Mason University. The bill, supported by several Northern Virginia legislators, including Delegate James M. Thomson, D-Alexandria, the House Majority Leader, was a repeat exercise of last year's attempt to override an earlier decision of the Council on Higher Education against approval of the law school proposal.

Collective bargaining bills failed more quickly than in previous sessions as bills were not approved by either House or Senate committees. In a previous session, the House had approved bargaining legislation and sent it to the Senate where it was defeated.

Fifth-Year Internship for New Teachers

The "fifth-year internship" requirement for new teachers was included in a series of revisions in quality education standards for public schools, first mandated by the legislature in 1972 and revised annually since then.

A subcommittee of the House Education Committee held a series of public hearings around the state last year in an attempt to find out what the public wanted from its schools. Members of the subcommittee reported that new teachers needed more on-the-job experience in public school classrooms before receiving state certification.

The legislature postponed the effective date of the legislation to avoid changing graduation requirements for students now enrolled in teacher training programs.

The five-year interval will also provide time for the teacher training institutions, the State Board of Education and the Council of Higher Education to come up with answers to such questions as whether the students will be paid during the internship, who will provide the pay, how the program will be supervised, and whether academic credit will be granted for the additional classroom experience.

New 70-30 Revenue Formula

The new 70-30 revenue formula requires eight of the 15 four-year institutions now raising more than 30 percent of their educational and general funds through tuition and fees to begin lowering their student charges in 1977-78. Educational and general funds are approximately the same as operating funds. Nearly $1 million was appropriated to offset the effects of the lower charges to begin in 1977-78.

The other seven institutions derive less than 30 percent of their operating costs from tuition and fees and will be required to increase student charges. All institutions must meet the formula requirements by no later than July 1, 1982.

Reorganization Recommendations

The Commission on State Governmental Management reported to the General Assembly in 1975 and recommended substantial reorganization of the executive branch of state government.

The commission's proposals included a recommendation that the Secretary of Education be made a member of the State Board of Community Colleges, the Council of Higher Education and the State Board of Education.

Opponents of the bill, including the chairman of the Council of Higher Education, noted that a conflict of interests would occur if the secretary sat as a member of the community college board and the council, which makes recommendations to the governor and legislature on the statewide community college budget.

Appropriations - Enrollment Restrictions

The appropriation of 25 percent more operating funds for the four-year colleges and community colleges was, in general, welcomed by college presidents who had feared for the worst as state revenue expectations dimmed in the waning weeks of 1975. The increased appropriations include a 4.8 percent salary increase in 1976-77 for all state employees including college and university faculty and staff.

Governor Godwin noted in his budget message to the legislature that enrollment in public colleges is expected to increase about 23 percent during the 1976-78 biennium over the number enrolled during the current biennium.

In a little-noticed section of the appropriations act, the legislature adopted a proposal by the governor to move in the direction of enrollment restrictions.

The provision authorizes the governor to transfer funds from a college's budget back to the state treasury if the total regular session full-time-equivalent student enrollment exceeds by one percent or more the number on which the appropriation to the institution was based.

The amount of funds transferred would be no more than the tuition and fees collected "on account of the enrollment in excess of one percent." The colleges could enroll as many as 50 students in excess of projections, however, without being subject to the fund transfer penalty.

Several college presidents protested the fund transfer clause, saying it would be particularly harsh on institutions that enroll a large number of part-time students, who are somewhat less predictable than full-time students.

When the final budget bill was adopted, the enrollment penalty had been modified after negotiations between the House Appropriations Committee, college officials and the Council of Higher Education.

A sentence was added which read: "With reference to part-time students, the limitation shall be interpreted liberally."

State General Fund Appropriations

Here is a list of state general fund (tax) appropriations for the higher education institutions for the 1974-76 biennium and the 1976-78 biennium.

Four-year Colleges and Universities:	1974-76	1976-78
Christopher Newport College	$ 3,683,860	$ 4,802,430
Clinch Valley College	2,387,795	2,939,485
George Mason University	12,548,690	17,892,805
Longwood College	6,066,530	6,768,670
Madison College	14,153,755	20,249,720
Mary Washington College	4,504,760	5,279,990
Norfolk State College	15,967,190	19,252,310
Old Dominion University	22,485,120	27,406,645
Radford College	8,824,200	11,625,395
University of Virginia	64,816,530	79,873,515
Virginia Commonwealth University	62,930,595	70,982,145
Virginia Military Institute	5,326,885	6,194,825
Virginia Polytechnic Institute and State University	57,538,020	79,197,185
Virginia State College	11,808,265	13,384,765
The College of William and Mary	18,429,290	22,877,050
All four-year colleges and universities	311,471,485	388,726,935
Two-year branch college (Richard Bland)	1,502,820	1,851,045
All two-year colleges	107,797,530	125,839,720

GEORGIA Nancy Lewis, The Atlanta Journal

"Even with the money raised from the tuition increase, budgets at the state schools were pared dramatically..."

ATLANTA, March 27--The 1976 session of the Georgia General Assembly was devoted almost exclusively to money matters. And no portion of state government entered 1976 with more complicated financial conditions than the Board of Regents of the University System of Georgia.

The university system consists of 32 campuses including state universities, colleges and junior colleges. Under the state constitution, the 15-member Board of Regents has absolute control over the system. This board, by law, receives a single or lump sum appropriation from the General Assembly which the board in turn distributes to the individual colleges.

Budget Reductions Affecting Pay Raises

It was the Georgia Supreme Court's affirmation of this very autonomous structure which led to the board's financial woes. In late June and early July of 1975, the Georgia General Assembly was called into special session to drastically reduce the budget it had approved only that March. Revenue collections were lagging and the state's fiscal laws would not permit deficit spending.

The legislative session withdrew, among other items, pay raises it had previously approved for all state employees, including university system employees and faculty members. About half of the state system's faculty members had already signed their annual contracts providing for the higher wages. The state's contention was that the contracts were predicated on the state's ability to pay and that the raises could be withdrawn legally.

Two groups, the American Association of University Professors and the Georgia Association of Educators, went to court on behalf of the faculty members and in early December the Georgia Supreme Court ruled that the signed contracts were valid.

The very day that the court said the raises had to be paid--at a cost of about $11.5 million--Governor George Busbee announced that the state's 1976 budget would have to be reduced another $50 to $60 million. (The Supreme Court actually held that only those signed contracts were valid; the Board of Regents said they would honor all promised pay increases, including both faculty members and classified workers.)

The regent's construction money had previously been frozen by the governor, in case revenue collections didn't reach expectations, and the board had been counting on using that approximately $6 million as a major portion of the ordered raises. But the capital money was withdrawn as part of the December budget cuts and the university system at first was also to trim another $2.6 million from its operations.

The continued budget-trimming meant there was no money for the state to give the regents for the pay raises. So the entire $11.5 million in raises had to be taken from the system's operating expenses. The university system eventually was exempted from most of the planned $2.6 million cuts.

Tuition Increases

To help offset some of the cost of the pay raises, the regents voted to raise tuition for the second time in nine months. The first fee increase, effective with the summer quarter in 1975, was an average of about 15 percent system-wide, with increases greater than that at state universities and lower at the two-year colleges. The latest hike, which went into effect with the 1976 spring quarter, is an across-the-board 10 percent. Tuition at the four state universities now is about $185 per quarter; at the 12 state four-year colleges students now pay $145 per quarter; and junior college students now pay $106 per quarter.

Even with the money raised from the tuition increase, budgets at the state schools were pared dramatically with freezes on such items as library book purchases, travel and telephone expenses.

The court-ordered pay raises of 1976 then meant that the regents' employees would get no raises in the state's 1977 budget although the state did pick up the approximately $13.3 million cost of the pay raises. (The 1976 raise was for 10 months only, beginning in September. The 1977 budget increased that to a full year's funding.)

Governor Busbee recommended that the additional $6 million the state schools would collect from the second tuition hike be used to institute a system of annual in-grade raises for the regents' employees. But the House and Senate failed to follow that recommendation and counted the additional tuition income in the planned $13 million increase in the instructional budget.

1977 Appropriation for Instruction

The overall state appropriation for instruction in the 1977 budget is $238,587,649. (Because of changes in funding procedures an exact comparison figure for 1976 is almost impossible. However, the total increase, including the salary funding, is around $20 million.)

The state appropriation for the central staff of the university system rose from $7,201,838 in the final 1976 budget to $8,727,885 in the 1977 budget. Most of the increase went for increased tuition payments to Emory University for the training of Georgia residents as physicians under a contract through the Southern Regional Education Board ($732,000 to $1,019,650) and an increase from $500 to $600 per nine-month student in the payments to independently operated DeKalb Community College ($3,933,603 to $5,040,000).

In addition to its educational appropriation, the university system received money to generate approximately $7.3 million in bonds for construction and land acquisition. The system received no such bond money last year, but did have about $2.5 million in cash for construction and renovation. The board received no cash this year.

Many of the separately budgeted operations of the university system received increases only large enough to cover the cost of their employees' raises.

Appropriations for these were:

Marine Resources Extension Center, from $376,090 to $388,090
Skidaway Institute of Oceanography, from $553,781 to $573,781
Engineering Experiment Station, from $2,253,441 to $2,318,441
Engineering Extension Division, from $392,807 to $424,807
Agricultural Experiment Stations, from $9,293,593 to $9,939,593
Cooperative Extension Service, from $8,196,636 to $8,916,636
Talmadge Memorial Hospital (of the Medical College of Georgia) from $9,870,300 to $11,723,300

One new budget category was added with appropriations for a Veterinary Medical Experiment Station to be added at the University of Georgia College of Veterinary Medicine. That appropriation is $250,000.

Bills Affecting the University System

Many of the bills considered by the General Assembly also centered on the university system's financial plight. These included bills to:

+++Permit the Board of Regents to raise tuition only once in 12 months and then only with advance notification to college presidents. The bill was passed by the House, but did not get through the Senate.

+++Require item by item appropriations to the board rather than the lump sum it now receives. This move, attempted for several years, was defeated by the House Appropriations Committee.

+++Allow senior citizens, over the age of 62, to attend state college without paying tuition. It must be approved by a majority of the voters in the November election.

+++Set at $400 the amount paid to students attending private colleges in the state. Last year's special budget-cutting session wrought havoc in this area, too, since the legislature originally had increased the grants to $500. An attorney general's ruling required freshmen students to get $500 and others to get $400 per year. The new bill allows for the amount to be raised by appropriations without additional legislation.

+++Extend the doctrines of sovereign immunity to the Board of Regents. In its pay decision, the Supreme Court had ruled that the regents were

not protected by sovereign immunity. That left the regents openly liable for practices at the Talmadge Memorial Hospital it operates. This has already been signed into law by Governor Busbee.

+++Include independent colleges which are candidates for accreditation to be eligible for the private college grants. This affects only one college right now, Birdwood Junior College in Thomasville. The bill passed both Houses.

Bills Dealing With College Loan Program

Two major bills dealt with the college loan program in the state. One bill, which has been signed by the governor, increases to one percent the premium which may be made to banks participating in the Guaranteed Student Loan Program and also exempts from state and local taxes income received from these loans by the participating banks.

A bill which did not pass would have made a college education an asset worth $10,000. This bill was designed to stop bankruptcy routes to non-payment of college loans.

Although the in-grade salary increase system did not pass this year, $50,000 was provided in the appropriations bill to pay for a study which is to determine a method for implementing such a classification system.

One of the few major educational bills which did not pass was one establishing by law the Georgia Postsecondary Education Commission (1202 Commission). The commission continues to operate under executive order.

TENNESSEE Fred Travis, The Chattanooga Times

"...while college and university administrators have cause for joy now, the long-term outlook... is far from bright."

NASHVILLE, March 31--Tennessee's state-operated colleges and universities didn't hit the hoped-for jackpot during the 1976 legislative session but they fared pretty well financially, receiving an overall 14 percent increase in appropriations for operating purposes in the fiscal year starting July 1. This will provide sufficient money for an average 9 percent raise for faculty members. While a 12 percent average increase had been recommended by higher education administrators, the 9 percent figure loomed large compared to the 2½ percent ceiling the legislature imposed on pay raises a year earlier.

Institutions were given greater flexibility in making salary adjustments, including authority to grant merit increases. Community colleges, hard hit by unexpectedly large enrollment growth, were exempted from restrictions on pay raises except a requirement that total expenditures be kept within appropriated funds.

The 10 community colleges had found it difficult to compete for faculty personnel, especially in view of a salary schedule which in some instances was below that of neighboring public schools.

No new campuses or programs were authorized, although the legislature did vote to spend $36.3 million on new construction and improvements at existing institutions. This includes $9 million for an arts and architecture building at UT-Knoxville; $4.4 million for a medical building at the UT Center for Health Sciences, Memphis; $9 million for a physical education complex at Tennessee State University, Nashville; and $12.2 million for improvements, mainly additional buildings, at community colleges.

Student Aid Program

The total operating appropriation for all higher education activities in the state was increased to $195.4 million, which was $24 million more than provided during the current fiscal year. This included $750,000 to fund a new aid program for needy students attending both public and private colleges and universities.

The money will be used to match an equal amount of federal assistance making $1.5 million available to help students. But this funding was far short of the $4.3 million sought by the program's advocates.

The new student assistance plan replaces the old tuition grant program which was abolished. It had been ruled unconstitutional by a federal district court because of payments made to church-related institutions.

Under the new law, the money will go directly to the student instead of to the school, and sponsors are confident this will be upheld if challenged.

Governor Ray Blanton, who hadn't included any money for student assistance in his budget either last year or this, consented to the compromise. Advocates of the plan earlier sought in vain to get the entire requested amount by raising taxes on cigarettes.

After the aid plan was enacted, the legislature approved an amendment to permit assistance to students attending private business colleges and trade schools. But Governor Blanton vetoed it, saying the money simply wasn't available.

Hard Times Face Some Programs

Despite the increased appropriations, some programs continue to face hard times. Dr. T. Albert Farmer, chancellor of the UT Center for Health Sciences, said a curtailment of physician training may be necessary for lack of sufficient money. He talked of extending the present three-year medical program to four years, but other UT officials, though conceding the budget situation will be tight, doubted such drastic action will be necessary.

Dr. W. W. Armistead, dean of UT's new veterinary medicine school at Knoxville, said the appropriation may require about a one-third cut in the second class to be admitted to that program next fall.

More alarming, perhaps, was the long-term outlook for all higher education. The increased funding next fiscal year was financed with a one-cent increase in the state sales tax, raising the state tax to 4½ cents on the dollar and the maximum state and local government rate to 6 3/4 percent.

Sales Tax and Student Fees Increased

The one-cent increase in the state tax, after allowances for removing the sales tax on prescription medicines and cutting it back on energy used for residential purposes, will produce an estimated $140 million. It is the largest one-time tax increase in Tennessee history, and legislators left saying they wouldn't vote another for a long time.

Governor Blanton had asked for the sales tax increase on a temporary basis, to be replaced next year by a graduated personal income tax. But approval of an income tax by the Tennessee lawmakers isn't expected in the foreseeable future, and the sales tax increase likely will be extended or made permanent.

The trouble is that the legislature, for a while, at least, has exhausted major revenue resources it is willing to use. While state income may rise with the easing of the recession and as a result of inflation, gross income isn't likely to keep pace with rising costs, especially in education.

So while college and university administrators have cause for joy now, the long-term outlook with enrollment increases expected for several more years, is far from bright. Nor is the outlook for students a happy one. Governor Blanton's budget, which was approved with only minor changes, contemplated another 10 percent increase in student fees. Educators have warned that this now annual rise in student charges is squeezing people out of the market for higher education and curtailing the often-promised equal educational opportunities for all.

By its silence on the subject, the legislature sanctioned the increased student fees and ordered colleges and universities to take measures to see that the charges are paid. The lawmakers directed that diplomas, certificates, degrees and grade transcripts be withheld from students who are financially obligated to higher education institutions. However, this won't apply to student loans which may be outstanding.

Refusal of the legislature to grant higher education institutions an exemption from the state's Administrative Procedures Act may become a cause for concern. Governor Blanton and the lawmakers have been at loggerheads over a provision added to the law last year over his veto: it requires that administrative rules and regulations issued by state agencies be approved by the appropriate standing committee of the senate or house or both.

The governor contended this requirement was unconstitutional and the state attorney general concurred, saying it was an illegal delegation of legislative authority by the General Assembly. According to the attorney general, the legislature, but not one of its standing committees, can veto regulations issued by administrative agencies.

Nevertheless, the legislature chose to ignore the attorney general's ruling and keep the law in effect. So far no standing committee has demanded a right to pass upon regulations promulgated by or for higher education institutions but the potential for a dispute is there and the issue ultimately may end up in court.

This wasn't discussed, however, in the course of giving the state Board of Regents, administrative agency of the regional universities and community colleges, authority to promulgate tenure rules for faculty members. The UT board of trustees already had this authority, but in transferring the state's other institutions of higher learning from the state Board of Education to the Board of Regents, the authority of the Regents was left under a cloud.

The state supreme court ruled that tenure regulations weren't ever adopted by the state Board of Education and ordered the Board of Regents to make restitution to a university faculty member who was fired and claimed to have gained tenure automatically.

There were these other developments:

+++The legislature authorized establishment of a cooperative education program with state government, creating a Tennessee Cooperative Education

Advisory Committee to help work out the details. The shape and scope of the program remain to be decided.

+++Totally disabled persons will be permitted to audit, free of charge and on a space available basis, courses in colleges and universities except classes in professional health services.

+++A mutual limited exchange of students, free of out-of-state tuition, with Kentucky was approved. It is expected to affect mainly students attending Tennessee higher education institutions near the Kentucky border, and Kentucky institutions close to Tennessee, particularly Kentucky's Murray State University and UT-Martin.

WEST VIRGINIA Don Marsh, The Charleston Gazette

"...the legislature was not ungenerous with the Board of Regents' budget."

CHARLESTON, April 3--West Virginia's system of higher education came through a sometimes confusing and sometimes argumentative session of the legislature with little debate.

No bill of major importance to state colleges or universities was introduced, and Chancellor Ben Morton of the State Board of Regents characterized the session as "easier than normal."

Only one bill directly affecting higher education was passed. It was a minor measure that made a legal requirement of the Regents' practice of appointing advisory boards of students and faculties.

The session was marked by disagreements between Republican Governor Arch A. Moore, Jr., and leaders of the Democratic majorities in the House and Senate. The struggle may have been one reason that relatively little attention was paid to higher education.

For a time, it appeared that Moore might veto the state budget. However, he eventually approved it. As a result of the threatened veto, the legislature voted to recess rather than to adjourn its normal 60-day session which ended in March. The legislature will reconvene May 14 but leaders estimate that it will be in session only two or three days.

Two Problem Areas for Higher Education

Morton said he hoped that legislators will be able to find extra money for higher education when they meet. There are two problem areas. One is salaries and the other is operating expenses.

The legislature passed a bill requiring that all state employees be given an across-the-board raise of $1,000 a year. Moore vetoed the bill because it called for removal of any department head who failed to grant the increase.

Moore said he was unsure whether the budgets of all state agencies had been given enough money to meet requirements of the law. But in vetoing the bill, he said it was his intention to grant the raise in every case in which funding was available.

Morton said that everyone in the state system of higher education was affected and that he planned to recommend to the Board of Regents that workers receive the additional pay. The increase would be substantial for many blue collar workers. In some cases, it would mean a rise in pay of 25 percent.

At the same time, the increase would be less than he had hoped for senior faculty members. "For a $20,000 a year professor, it would mean only about

a five percent raise. Last year, raises averaged about eight percent and I am hoping that the legislature will give us at least enough to match that percentage this year," the chancellor said. West Virginia's pay scale for full professors is among the lowest in the 14 states comprising the Southern Regional Education Board, Morton said.

More Money Needed for Operating Expenses

In addition, Morton said the system would need more money for operating expenses. The legislature increased the amount from about $12 million to about $13.9 million. But utility costs and the cost of certain fringe benefits have risen so markedly that the increase in all other categories covered in current expenses--such as mailing--will be only 1.5 percent.

Otherwise, the legislature was not ungenerous with the Board of Regents' budget. Appropriations were increased from $87.4 million in fiscal 1975-76 to $95.7 million in fiscal 1976-77. Regents had requested $107 million.

However, in a speech before a chamber of commerce audience, Governor Moore remarked that higher education was not "lean and hungry enough," and said he was considering appointment of a management review team to review higher education spending.

Some Increases Dramatic

In some cases, the increase was dramatic. The state appropriation to the West Virginia University Medical Center went up by almost 50 percent--from $8.7 million to $12.4 million. The appropriation is in addition to the almost $40 million the medical center is expected to generate from its own sources, primarily from fees and from a dedicated tax on soft drinks. In addition, $1.2 million was approved to complete a medical education building in the Charleston division of the medical center.

Two other medical schools which were created by last year's legislature received lesser appropriations. The West Virginia College of Osteopathic Medicine at Lewisburg had its budget increased from $1.3 million to $1.65 million. The appropriation for the Marshall University Medical School remained at $871,915. However, Marshall has between $150,000 and $200,000 in carry-over state funds which it is authorized to spend. The medical school at Marshall, which is being partly financed by the Veterans' Administration, is still in the planning stage and, after a period of controversy, has received "resonable assurance of accreditation" by the Medical Liaison Committee of the American Medical Association.

In addition, the Regents negotiated the sale of $26 million in bonds for capital outlay projects at a dozen institutions as authorized by the 1974-75 legislature

Dispute Over Role of Community Colleges

One of the most interesting issues in the session was a dispute over the role of community colleges in areas where they may compete with existing

four-year schools. Specifically, Fairmont State College started a community College program at Clarksburg, in the neighboring county of Harrison. Salem College, a private institution, is located in Harrison County.

A bill was introduced which Morton said seemed to have forbidden the Board of Regents to authorize additional community college programs in counties where a private or public four-year institution existed. Morton said the bill was clearly aimed at the new program in Clarksburg. Classes started in the fall of 1975 and attracted about 800 students. Supporters of private colleges became the major lobbyists for the bill.

During a hearing before the House Education Committee, Morton asked: "Do I hear correctly regarding the legislature's intent--not to operate a community college in Clarksburg?" He said he was told the answer was "yes" and he replied that in that case he would recommend the Clarksburg program be discontinued.

However, legislators from Harrison County, the city administration in Clarksburg and spokesmen for other groups in the area have come out strongly for continuance of the program. As a result, Morton said he would reexamine his decision. The bill that would have required ending of classes was recommended by the education committee but was never voted on in the House of Delegates.

Another bill involving Fairmont passed the House but not the Senate. The bill would have authorized the college to spend an additional $2 million for a new health and physical education building. The Board of Regents approved spending $2.6 million for the building and later signed a contract for that amount. Morton said he opposed spending the additional $2 million because it would pay for unnecessary facilities and because the bill authorizing the extra money was special interest legislation sponsored by lawmakers from the area served by Fairmont State.

Unsuccessful Bills

Other bills affecting higher education were unsuccessful. One would have required graduates of the West Virginia University Medical Center to practice in the state for four years after graduation or to repay $13,000 in educational costs. The bill, which passed the Senate 22-8 last year, was approved in the Senate this year, 18-14. It was not voted on in either year by the House.

House Speaker Lewis McManus, D-Raleigh, said he thought the requirement that medical graduates be forced to practice in the state "borders on involuntary servitude." He said he thought a strong residency program was the best way to attract young doctors.

Among bills that did not come out of committees were a number that would have granted tuition waivers at state schools for a number of groups, including members of the National Guard, persons 65 or older, public school teachers, members of faculties and members of their families.

Morton said the Board of Regents opposed the bills, both because they represented special interest legislation and because they might violate contractural obligations involving the sale of revenue bonds. Most of the bond contracts have provisions which prohibit demeaning the sources of repaying bonds and those sources normally include fees and tuition.

A bill that would have permitted unionization of public employees was tabled by the Senate Judiciary Committee after brief debate. One senator said he disapproved of the bill because it embraced all types of public employees, including schoolteachers.

KENTUCKY Richard G. Wilson, The Louisville Courier-Journal

"'we are no longer in the golden era of higher education growth,'" the governor proclaimed.

FRANKFORT, April 6--It's been a long time since higher education commanded less legislative attention in the Blue Grass State than it did during the 1976 General Assembly.

Kentucky lawmakers, who concluded their biennial 60-day session here March 20, considered less than three dozen higher education bills and passed only 12 of them. The vast majority of the bills remained in their original committees, where they provoked little discussion.

The main reason for higher education's low profile was that lawmakers--and Governor Julian M. Carroll's administration--reserved most of their educational interest and effort for financing of Kentucky's elementary and secondary schools. Overall per-pupil spending in the common schools ranks 49th nationally, and lawmakers and Carroll were committed to moving this figure upward on the national scale. There had also been a massive citizens' campaign waged in the state during the preceding year to upgrade public school spending.

Some of the supporters for more spending at this level charged that overly-generous state spending for higher education in previous years was a major cause for the public schools' financial plight.

The only major legislation relating to higher education was Carroll's budget bill, which sailed through the legislature with no negative votes.

State Spending for Higher Education Increased

Overall, state spending for higher education, including student aid and the Council on Public Higher Education's budget, went from $364,791,457 during the current (1974-76) biennium to $426,357,200 for the 1976-78 biennium, beginning July 1. This is a 26.7 percent increase. (This does not include capital construction funds.)

A large share of the new money for the eight state schools went to the two newest schools in the state system--the University of Louisville's (U of L) 1977-78 appropriation is 33 percent more than this year's, and Northern Kentucky State College's (NKSC) 1977-78 appropriation tops this year's by 52 percent. The other six colleges received increases averaging about 21 percent, and while the University of Kentucky received the largest increase, it had the smallest dollar percentage increase (14 percent).

The U of L, a former semi-private, municipal school in the state's largest city, has been undergoing a financial phase-in into the system since 1970. NKSC, which evolved from a former University of Kentucky (UK) community college, also became a new four-year state school in 1970. Carroll noted that his budget would finally give U of L "full (state) funding" and dollars for NKSC's transformation to university status, as provided under a separate bill.

Governor's Budget Message Set Tone

Carroll's budget message earl, in the session set the tone for higher education in the session. "The era of budgetary sacrifice is here...we are no longer in the golden age of higher education growth and my budget does not contemplate a return to that golden age," he proclaimed.

The universities and NKSC had requested $556,186,390 in state funding for the upcoming biennium, or a 55.8 percent increase over this biennium's $357,029,020 figure. Another $27,177,900 was sought by the education council and $20,001,867 by the Kentucky Higher Education Assistance Authority, the state's student aid agency.

Some $7.3 million of the education council's request were funds for enrollment growth, earmarked for later distribution to the campuses according to a full-time-equivalent student format, and replacement funds for tuition reduction at the U of L. Another $5.5 million sought by the council was to replace federal revenue sharing dollars now used to support a statewide area health education system. The system, a cooperative venture between the campuses and local hospitals and clinics, provides practical training for health education students.

The education council chopped the institutional funding requests by $69.7 million, or 14.3 percent and finally recommended that Carroll ask the General Assembly to appropriate $486.4 million directly to the state schools for operations. The governor trimmed this recommendation by another $51.9 million, or 12 percent. He finally recommended--and the legislature approved--the two-year $434,498,800 direct appropriation to the campuses. Carroll also chopped the council's $27.1 million budget proposal to $20,162,300 and the Higher Education Assistance Authority's request from $20 million to $7,697,100. Both allocations were approved by the legislature.

The only dispute over the university budgets came during the council's review of the institutional requests. UK President Otis Singletary, while supporting equitable funding for the U of L, claimed UK would be paying the major portion of the U of L's proposed increase.

Although the council's funding proposals were trimmed by the governor, a later analysis of the 1976-78 budgets by David Carter, the council's associate director for financial affairs, seems to bear out Singletary's contention. Carter's analysis showed that during the current fiscal year, UK received 43.8 percent of the state General Fund dollars directly allocated to the public-supported schools while U of L received only 15.9 percent. By the end of the biennium, the UK figure would slip to 40.4 percent, while U of L's climbed to 18.5 percent.

With the exception of NKSC, whose figure increased from 3.6 to 4.5 percent, and Western Kentucky University, where the figure dropped from 10.3 to 9.8 percent, the figures for the other schools remained fairly constant. (None of the above percentages include enrollment growth dollars that will be distributed later to the campuses.)

In addition to operating funds, the state schools also requested some $200 million for capital construction or building renovations. The education council, however, recommended only $89.1 million and the governor and legislature approved only $70 million. While specific projects were identified for potential funding, Carroll reserved the right to review them further before allocating any money. He did earmark some $15 million for UK community college projects. If construction costs continue to escalate, it is unlikely that all of the projects will be funded.

New Budget Basically for Continuing Programs

Besides special U of L and NKSC fundings, the new budget basically provides for continuation of existing programs, combatting some inflation and providing salary increases averaging five percent a year for university employees.

The governor, in a post-session interview, acknowledged that his budget may appear to be a healthy increase for higher education--particularly in comparison with increases in many other states. But he said that without the special U of L and NKSC funding, the overall increases would not have appeared so significant.

The budget for the higher education assistance authority, the state's financial aid unit, expands aid for students attending both public-supported and private colleges.

The program which provides maximum annual grants of $548 to private college freshmen will cover sophomores beginning this fall. The individual grant ceiling is expected to be raised.

Another program, which provides maximum annual grants of $1,000 to eligible public and private college freshmen, sophomores and juniors, will be expanded to seniors.

Carroll's budget also replaced federal revenue sharing dollars in the aid programs with state funds. Only $1.8 million of the $4.8 million allocated to the state aid programs this biennium is state funds. Carroll's budget provides $7 million for the programs.

Bills Given Consideration

The 1976 General Assembly also considered a bill providing for collective bargaining for university professors. But the measure, which would cover all public employees, never got to the floor for a vote. Two other potentially controversial measures also remained bottled up in a House committee where they were not even discussed.

One would have given U of L administrative control of UK's Jefferson Community College, in downtown Louisville. The other would have stripped UK of its nearly 16,700-student statewide community college system of

13 campuses. This bill would have put the community colleges under a new governing board, instead of UK's trustees.

The legislature did approve bills creating two new higher education-related agencies. One bill gave statutory authority to a state Post-secondary Education Commission (1202 Commission), currently existing under a gubernatorial executive order, and the other to regulate proprietary schools.

Also passed was a new state open records law that includes many university documents. Another measure approved allocated $2.6 million to finance 76 new residency positions in "primary care disciplines" at the UK and U of L medical centers. Primary care disciplines are defined in the bill as family/general practice, general pediatrics, general internal medicine, emergency medicine, and general obstetrics and gynecology.

One third of the total time spent by residents would have to be in "community facilities," as opposed to the two universities' medical centers. The purpose of the legislation is to increase the supply of doctors in smaller cities. Studies show that doctors tend to remain in the areas where they take their residency.

Bills Which Became Law

Other bills which became law were measures that would:

+++Permit state licensure of veterinary technicians. Morehead State University offers the state's only vet-tech program.

+++Provide tuition-free education for persons 65 and over when space is available.

+++Require senior state universities to accept all academic credits earned at community colleges. An amendment permits the senior institutions to still set graduation requirements.

+++Direct the Legislative Research Commission to study all education statutes and recommend necessary revisions or deletions to the 1978 General Assembly.

+++Allocate $50,000 to create a Kentucky National Guard Educational Encouragement Fund to supplement certain fees up to 50 percent for active guardsmen attending state vocational schools, community colleges or universities.

+++Authorize UK to purchase from its own funds, other than tax revenues, malpractice coverage for medical center personnel.

The higher education council's budget also provided funds for additional openings for Kentuckians to study veterinary medicine and optometry through Southern Regional Education Board (SREB) sponsored programs in these disciplines. In veterinary medicine, all of the new slots would be at

Auburn University. Auburn presently has 16 first-year slots for Kentucky students. This would be increased to 24 slots this fall (1976) and 27 openings the following year.

For optometry students, the number of spaces will increase to 15 this fall. Ten spaces are now available. Two of the new spaces are at the Southern College of Optometry in Memphis, and three are at the University of Houston.

Veterinary School Issue

Governor Carroll, who served out the last year of former Governor Wendell Ford's term in 1975 before being elected last November to his own four-year term, diffused one potentially controversial issue several months before the legislature convened. After a year-long consultants' study ordered by the 1974 legislature, Carroll said that he was not convinced that Kentucky needed to build its own veterinary school. Therefore, he said, he would provide no money to plan for one.

The veterinary school issue became an explosive one in the 1974 legislative session when Murray State University supporters proposed a school for their far Western Kentucky campus. The bill passed the Senate but was finally killed in the House. Agricultural forces in Kentucky, as in several other states, cite shortages of veterinarians, particularly in rural areas, as a major manpower need.

Some educational planners and livestock representatives are now trying to convince Carroll that veterinarians could be lured to needed areas if an educational clinic--where veterinary students could receive some of their practical training--were built in the state. This was one option cited by the 1975 consultants' study, and one that Carroll is still considering. The other two options cited by the study were increasing the number of spaces in out-of-state veterinary schools for Kentuckians and veterinarians' use of para-professionals, or veterinary technicians.

Higher Education Council Measures

One bill that did spark some legislative controversy was a measure that would have required state universities to annually file with the higher education council lists of salaries and fringe benefits paid to campus personnel. The information would be released to the public upon request. The bill passed the Senate but died in a House committee.

In an emotional floor speech in the Senate, Senator Doug Moseley, the sponsor, accused the university presidents of killing the bill. The presidents denied his charge and other observers contended that such information was covered by the new open records legislation.

The 1976 session was the first one in several years which gave no serious consideration to legislation strengthening the education council's coordinating authority over the state's campuses. One measure would have permitted the agency to establish "primary service regions" for each school, but that bill provoked little discussion and remained bottled up in committee.

The Council, strengthened by the 1972 General Assembly, is currently developing a higher education master plan, which is supposed to be completed in time for the 1978 General Assembly. "I think the legislature has adopted a wait-and-see attitude on the council's performance and that attitude is directly related to the quality of its master plan," one lawmaker said.

Breakdown of State Funding

Following is a breakdown of each state school's 1975-76 state funding, its general fund appropriation for operations for each of the next two years, and possible capital construction or renovation projects.

+++Eastern Kentucky University--$18,924,361 this year, would go to $21,685,200 in 1976-77 and $23,043,500 the following year. The only construction project is a public service center.

+++Kentucky State University--The school's $5,068,945 1975-76 appropriation would be increased to $5,872,500 in 1976-77 and to $6,331,600 in 1977-78. KSU hopes to build new classroom and administration buildings.

+++Morehead State University--The school received $11,752,901 this year and will get $13,444,600 next year and $14,342,300 in 1977-78. It hopes to receive funds to renovate three buildings.

+++Murray State University--The current year's funding of $13,438,434 will be increased to $15,068,300 in 1976-77 and $16,177,800 in 1977-78. Funds have been reserved for a new university and continuing education center and renovation of another facility for a campus library.

+++Northern Kentucky State--The school's $6,686,307 appropriation this year will be increased to $9,344,600 in 1976-77 and $10,149,200 in 1977-78. Its construction projects are a new classroom and administration building and other campus improvements.

+++University of Kentucky--UK's $81,323,957 1975-76 appropriation will be increased to $87,419,000 in 1976-77 and $92,949,600 in 1977-78. It hopes to receive money to construct a primary care and teaching research center on its Lexington campus and a new branch community college in Southwestern Louisville. Funds are also earmarked for new libraries and learning resource centers at its Somerset and Hopkinsville community colleges.

+++University of Louisville--This year's appropriation of $29,596,542 will be increased to $36,056,800 in 1976-77 and $39,293,600 in 1977-78. Additionally, U of L will receive $4,222,600 over the biennium through the education council to replace dollars lost through reducing tuition for Kentucky residents. U of L hopes to build a new library and music school on its main campus, receive funds to meet inflated construction costs for a new teaching hospital and make numerous other campus improvements.

+++Western Kentucky University--Western's 1975-76 funding of $19,126,280 will go to $21,060,900 in 1976-77 and $22,258,300 in 1977-78. It plans to renovate one existing facility and build a new agricultural exposition center and related facilities.

MARYLAND Tom C. Stuckey, The Associated Press

"An initial responsibility of the new board will be to draft Maryland's first master plan for its colleges and universities"

ANNAPOLIS, May 14--The long-awaited reorganization of the structure of education in Maryland was finally accomplished at the 1976 session of the General Assembly. The changes, which affect public education at all levels from kindergarten through college, are not as sweeping as those originally contemplated, but they do make some significant revisions in the structure and governance of public education, particularly at the postsecondary level.

The two reorganization bills were easily the educational highlight of the 1976 session. More than 100 bills and resolutions dealing with higher education were introduced during the 90-day session, but most died in committee. Of those that did pass, all but a few involved technical changes in the law or dealt with matters of limited scope and applicability.

Budgets for Maryland's colleges and universities were restricted to the virtual no-growth monetary policy imposed on the rest of state government by Governor Marvin Mandel, who again managed to avoid any general tax increase or any sharp cutbacks in existing state programs. In the general fund category, the total appropriation actually dropped slightly from the current year for both the University of Maryland and Morgan State University as well as for St. Mary's College.

The combined general fund appropriation for the state colleges did register an increase, but even that went up by less than one percent from the current year. The only significant increase was for community colleges. The lump-sum appropriation in the budget was increased from $30.9 million to $41.6 million, reflecting both an anticipated growth of 30 percent in enrollment at the two-year colleges as well as the fact that the current year's appropriation was almost $8 million short because the number of students exceeded estimates on which the current year's budget was based.

Elaborate Plan for Broad and Dramatic Changes

Passage of the two bills restructuring governance of public education in Maryland came more than three years after Governor Mandel appointed a Governor's Study Commission on Structure and Governance of Education. That commission, after more than two years of work, came forth with an elaborate plan calling for broad and dramatic changes in the governance of higher education in Maryland. The Rosenberg Commission, named for its chairman, Leonard H. Rosenberg, proposed creation of a new State Board of Higher Education to exercise extensive control over the individual institutions. While each college or university would have had its own separate governing board, the Rosenberg Commission proposed

that the state board be given ultimate authority in program and fiscal areas. The state board, under the Rosenberg plan, would have had authority to review both existing and new programs and to require that programs be abolished or revised.

The reaction of the colleges and universities to the suggestion that they give up much of their independence to a centralized board was uniformly unfavorable, if not hostile and, at a series of public hearings around the state, the institutions raised strenuous objections to the Rosenberg plan. Eventually the University of Maryland, the state college trustees, the state community colleges board and the Council for Higher Education suggested some alternative approaches to give the council more coordinative powers in some areas--particularly planning, budget review and consideration of new programs--but leave the existing systems generally intact.

After the Rosenberg report was issued, the governor set up a task force headed by Alan Wilner, his chief legal and legislative aide, to evaluate the report and to suggest legislation to implement whatever sections of the report it felt should become law. The Wilner task force came up with a bill dealing with higher education which, in part, reflected the recommendations of the institutions. That bill was, in turn, enacted by the General Assembly with only minor modifications.

New Board to Draw Up Master Plan

The Wilner task force decided, and the General Assembly agreed, that the Maryland Council for Higher Education should be replaced with a State Board of Higher Education. The council is a 13-member board with one member a representative of the University of Maryland nominated by the regents, one a state college representative nominated by the state college trustees, one a representative of community colleges and one a representative of the state's private colleges and universities. The new board will be reduced in size to 11 members and will consist of all lay members. There no longer will be any members serving on the board to represent a special interest. The authority and responsibilities given to the new board lie mainly in the areas of planning, spending and programs.

An initial responsibility of the board will be to draft an overall plan for the development of higher education in Maryland, thus giving the state its first master plan for its colleges and universities. The board will be expected to update the plan from time to time and to report annually to the governor and the General Assembly on progress being made to implement the plan.

Under the current fiscal system, separate budget requests are submitted directly to the governor from the University of Maryland, Morgan State University, the state colleges (including the University of Baltimore), St. Mary's College and the community colleges. Under the new law, these budget requests will go first to the higher education board, which will be responsible for reviewing them and putting them together into a unified

package to present to the governor. While the board will not be able to reduce or revise the requests, it will be authorized to recommend to the governor and the General Assembly any budgetary revisions it considers desirable.

Members of the Wilner task force believed that this would be a significant step toward gaining a review of the budget from an educational perspective instead of only from a budgetary outlook as under the present system. Many legislators and others associated with the reorganization effort also said this would give the board considerable clout because its recommendations would carry a great deal of weight with the governor in his preparation of the budget and with members of the General Assembly when they consider the budget.

The Wilner task force said there was "merit in having a unified budget for higher education, as this would give the governor, the General Assembly and the public a better grasp on both the state's total commitment to higher education and the relative part of it going to each of the institutions and agencies." The task force said input by the board was both necessary and valuable. "But it is not necessary to give budget approval power to the board in order to achieve these objectives; and we agree with the concerns of the institutions that such power would involve only an unnecessary bureaucratic roadblock in an already complex procedure," the task force report said.

New Board to Approve New Programs

In the area of program control, the task force said it agreed with the Rosenberg Commission that the board should have power to approve or disapprove all proposals for new programs or for substantial modifications in existing programs. "This authority is essential if the board is to be able to implement the overall plan," the report said. The Wilner task force disagreed, however, that continuation of all existing programs should be subject to board approval. It said a review of all programs not only would be a mammoth and impractical task, but could create unnecessary uncertainty within the various institutions until it was completed.

Although the original Rosenberg report had been greeted with dismay by most representatives of higher education in Maryland, the Wilner task force bill was enacted with little trouble and with only minor modifications by the General Assembly. The problem areas had been worked out before the legislation was ever introduced.

What the bill as enacted and signed into law by Governor Mandel does is provide stronger guidance at the top but leave the various segments free, for the most part, to run their own affairs. The University of Maryland and Morgan State University each will continue to operate under its own board of regents, as will St. Mary's College under its board of trustees. The Board of Trustees of the State Colleges and the State Board for Community Colleges likewise will retain much the same powers and responsibilities as before.

The bill dealing with elementary and secondary education made fewer substantive changes than that dealing with higher education. Probably the major change at the elementary and secondary levels was creation of two new councils to oversee educational programs in correctional institutions and in hospital centers and juvenile institutions. There will be a separate superintendent for each council. The councils will be responsible for planning and developing an educational program within the institutions and for monitoring the operation of the programs by the institutions. Probably the biggest fight in the legislature over either bill came over a proposal to increase membership on the state school board from seven to eleven. The issue was settled with a compromise at nine members.

Bill Passed to Attract "Eminent Scholars"

Among other bills enacted by the General Assembly, one which was pleasing to many members of the state's educational establishment will allow any of Maryland's public institutions of higher education to establish "eminent scholar programs" designed to attract outstanding "professors or associate professors who have achieved national eminence in their disciplines." In addition to paying the eminent scholars the full salary for their position, the institutions will be allowed to supplement the salaries with endowment funds obtained specially for the program. The state, furthermore, will match the endowment funds on a 50-50 basis up to a maximum to be specified in the budget. The bill provides that an appointee may be judged "eminent" not only on the basis of how he is rated by his peers but also "on the basis of artistic achievement or distinguished accomplishments in areas which lie beyond academic endeavor but for which there is concrete evidence of superior talent."

Among the resolutions approved by the House and Senate was one which calls for a study of the problems caused by out-of-state and foreign students in Maryland public colleges and universities. The joint resolution asks the Maryland Council for Higher Education, which will be replaced by the new higher education board, to examine the question of how many non-Maryland students can be accommodated in the state's institutions without jeopardizing the chances of in-state students to get a quality education. "We must adopt uniform standards for out-of-state, including military personnel and their families, and foreign students, taking into consideration their contribution and the need for the space in our institutions to be used by qualified and deserving Maryland residents," the resolution says. It asks that a report be presented to the appropriate legislative committees between now and the 1977 session of the General Assembly.

Other resolutions adopted were:

+++Provision for Towson State College to be called Towson State University "contingent upon its having met the criteria for name-changing set by the State Board for Higher Education;"

+++Creation of the Maryland Statewide Medical Education and Training System to include centers for comprehensive medical education established in cooperation with existing medical and educational institutions;

+++Authorization of the board of trustees of community colleges to waive tuition charges for those state residents 60 years or over for those classes with at least 10 regularly enrolled students;

+++Development of a Statewide College Placement Program to assist students in selecting institutions of higher education in Maryland.

Private Colleges to Make Purchases through State

Maryland's private colleges and universities were told by the governor prior to the 1976 session that they could not expect any increase in the level of state aid, but that he would be willing to help them out if they could come up with something which wouldn't cost any additional money. The private institutions responded with a bill, which the General Assembly enacted, allowing them to make purchases through the state and to reap the benefits of generally lower prices available to the state. The only restrictions included in the bill are that purchases must be in amounts greater than $500 and that none of the materials purchased may be used for religious purposes. Also included among bills enacted by the legislature were two authorizing a $500,000 bond issue for renovation of an academic building at Western Maryland College and a $1.85 million bond issue for construction of a science building at Loyola College. In both cases, the private institutions must raise equivalent amounts from other sources before the state money will be made available.

The legislature passed and the governor signed a joint resolution creating a task force "to consider whether collective bargaining rights should be extended to additional public employees and to prepare workable legislation on the matter for submission to the 1977 General Assembly if the task force determines that such rights should be granted," in the language of the resolution. The task force will have 15 members: four appointed from the Senate by the Senate President; four appointed from the House by its Speaker "to be representative, as a group, of labor, management and the public interests;" and the 15th member and chair of the group jointly agreed upon by the Speaker and the President.

Because of the tight budget year, Maryland colleges and universities will get very little, if any, additional funds out of the general state treasury next year. In most cases, significant increases come only in the area of special funds because of an expected increase in numbers of students or tuition or both. The following table shows the current budget for state institutions and the final appropriation for next academic year.

UNIVERSITY OF MARYLAND	1975-76	1976-77
General	$122,294,806	$116,511,697
Special	160,346,770	188,924,024
Federal	3,056,825	3,227,109
Total	$285,698,401	$308,662,830

STATE COLLEGES	1975-76	1976-77
General	$37,180,222	$38,374,719
Special	26,296,128	31,492,054
Federal	6,750,000	7,250,313
Total	$70,226,350	$77,117,086

MORGAN STATE UNIVERSITY	1975-76	1976-77
General	$ 8,775,781	$ 7,845,055
Special	5,203,528	6,437,216
Federal	2,423,731	3,432,489
Total	$16,403,040	$17,714,760

ST. MARY'S COLLEGE	1975-76	1976-77
General	$2,427,582	$2,399,387
Special	1,376,174	1,584,478
Federal	58,500	78,000
Total	$3,862,256	$4,061,865

As noted earlier, the appropriation for community colleges increased from $30.9 to $41.6 million. Direct state aid to private colleges and universities went up from $4.3 million to $5.3 million in the new budget. Although the University of Maryland showed a substantial drop in the general fund category, that is due largely to a reduction in the general fund appropriation for University Hospital in Baltimore. The hospital funds were cut because of a highly-critical independent audit of hospital operations commissioned by the state. The audit reported that the hospital could effect many millions of dollars in savings, including several million dollars in quick gains by reducing its bad debt backlog to a standard appropriate for a large teaching hospital.

MISSISSIPPI James S. Saggus, The Associated Press

Legislature asks for study to set out-of-state tuition charges "to cover the entire state cost of educating the student."

JACKSON, May 9--Mississippi's eight state universities will operate with tight belts next fall and the State College Board hopes the pinch won't suffocate the institutions.

The $73,199,424 appropriated for the universities by the 1976 Legislature was only $140,000 more than approved last year, despite enrollment increases and inflation. "This represents a very close budget," said Representative Ed Perry of Oxford, who handled the bill during its last floor appearance in the House.

The College Board had asked for $87.3 million and member Mike Sturdivant of Glendora, chairman of the board's finance committee, warned that tuition increases will have to be seriously considered unless adequate funding is provided. After the bill passed, a board spokesman said an increase in tuition charges was certain, but the board would have to decide how high to go at each school. The spokesman said the budget included no money for general salary increases, and the only boosts that could be considered would be in the form of promotions. Raises of 8 percent were requested.

1976 Enrollment Hike "Equivalent of Another School"

Last year the legislature approved a $70.2 million appropriation, plus another $2,859,950 for two nursing schools' support that was included in the general bill this time. The board complained then that the 1975-76 budget was tight and said the increase over 1974-75 was just enough to cover inflation, without additional costs resulting from an anticipated increase of 2,000 in enrollment. The enrollment jump turned out to be 5,226 and the extra tuition income with increased charges at some schools turned out to be just enough to cover the extra faculty needed to handle the larger student bodies. The board has anticipated another 5,000 increase in enrollment this fall, an increase termed by the board "the equivalent of another college."

The new appropriation did not change the maximum percentage of its income that a university can generate through its fees and similar charges. This is now 31 percent for the Class I schools (Mississippi State, Mississippi and Southern Mississippi), 26 percent for the Class II schools (Delta State, Jackson State and Mississippi University for Women), and 24 percent for the Class III schools (Alcorn State and Mississippi Valley State). The board said that there was still room for ample tuition increases under these percentage ceilings to produce the extra revenue needed.

The bill will fund operations for the fiscal year beginning July 1.

The $73,199,424 appropriated for the universities included $65,973,760 for general support; $1,119,350 for the MUW school of nursing; $1.6 million for the Southern Mississippi school of nursing; $140,600 for the Southern Mississippi continuing education program for nurses; $1,390,418 for Gulf Coast Research Laboratory; $175,000 for matching federal Sea Grant funds; $1 million for university libraries; and small amounts for other specified purposes.

Legislature Mandates Four Studies

The legislature tacked a rider onto the appropriation directing the College Board to make studies of university practices in four areas and to adopt a uniform policy in each. The studies would involve:

+++Tuition grants or scholarships to children of faculty and staff and to out-of-state students. The measure dictated that these grants be phased out "within a reasonable number of years."

+++Out-of-state tuition charges. The measure directed that the board set these charges to cover the entire state cost of educating the student.

+++Utilization of unrestricted self-generated income for the payment of general institutional expenses. The board was directed to set policies so this money would be used before appropriated taxpayer funds are used.

+++Travel expenditures by faculty and staff. The measure directed the board draft a policy to curtail and limit travel expenditures to trips essential to the educational mission of the schools.

Practices in each of the four areas drew stiff criticism from lawmakers during the session. Five of the eight schools offer tuition grants to faculty or staff children and lawmakers said it was unfair to expect other state employees to pay tuition for their children, plus the extra expense of living away from home, while state employees at the universities get a free ride. Mississippi, Southern Mississippi, Jackson State, MUW and Delta State all give some type of faculty-staff tuition grants, while the other three do not. Some 460 students got this type of help this year. Senator Ray Chatham of Hattiesburg said at some institutions the mother will get a job as a clerk so her children can get free tuition. He estimated the system cost the state $150,000 a year. At one stage the bill contained an outright ban against such tuition help, but the final compromise included the study directive instead.

There were also criticisms of the 2,621 scholarships to out-of-state students, which Representative Charles Deaton of Greenwood said "puts us in a very difficult position, calling on the taxpayers to fund nontaxpayers." Senator Bill Burgin of Columbus said it cost the state $1,600 per student, while the out-of-state fee was only $700. Some 6,000 out-of-state students attend Mississippi's state schools.

Travel Practices and Self-Generated Income Scrutinized

The colleges also were criticized for what Burgin called the accumulation of nest eggs from food sales, fees and other charges collected from students. At one point, the support appropriation included a requirement that these funds be used before appropriated money, but in the final draft the bill omitted this provision in favor of the study. And it was Burgin who attacked travel expenditures at the schools and persuaded lawmakers to limit the item to $1.2 million next year. He said, "At one of the major universities, every man, woman and child could have traveled 1,405 miles (on what was spent at the school)." He said at that school, $1,400 was spent to send one professor to Vienna to represent the Mississippi Reading Association at a conference "and the next week he went to Hawaii."

The board was directed to report on new policies in the four areas by next January 1.

There were tentative efforts toward an overall study of higher education. Representative Jim Sumner of Winona, chairman of the House Universities and Colleges Committee, said that because of increasing demands for courses at branch campuses and the tight money situation, the state needed a study to determine how to get the most from its college dollar. He said, "We need a professional study by people who have no loyalties to any of the schools or campuses. The study needs to cover the junior colleges as well as the senior colleges. The state has too many....We need to know what we have, what we need now and what we'll need down the road." He noted that the 16 public junior colleges operate under local boards rather than the College Board, although the state puts millions into them.

The 1974 legislature authorized the College Board to make a study of university programs and areas of duplication and more than a year ago the legislature's Performance Evaluation and Expenditure Review Committee called for the board to set up statewide objectives for higher education and goals for each university. Some progress was reported last year and last fall the board began to talk of cutting out duplicated doctoral programs at the institutions. However, alumni and other pressures thwarted these efforts, and the board has now decided to use outside professional consultants to place the recommendations above politics.

The universities were left out of the annual capital construction bill this year after lawmakers were unable to agree on what college projects to include. The final compromise called for $1 million in general funds and $18.4 million in revenue sharing money. It will all go to the penitentiary, mental hospitals, blind and deaf school and general repairs. Earlier versions had included $10.2 million toward a $26 million veterinary medicine school already authorized for Mississippi State, up to $12 million for an acute services wing at the University of Mississippi Medical School's teaching hospital, and smaller amounts for other university projects.

There were no new construction projects approved for preplanning during the session, since no funding was provided for many projects already preplanned at universities and other institutions around the state.

The veterinary medicine school, which was authorized in 1974, went through preplanning this year. However, efforts to authorize a work start on permanent housing bogged down in rivalries for the limited amount of construction money available. When no agreement was reached, the House-Senate conference committee decided the only solution was to leave out all university construction and let almost $25 million in revenue sharing money remain in the treasury. Mississippi uses revenue sharing funds only for nonrecurring expenditures.

The authorization for the veterinary medicine school was under constant attack from Representative H. L. Merideth of Greenville, who tried for the second straight year to repeal the authorization. He estimated it would cost the state $60,000 a year to train each of the 65 students the school will accept when completed, and Mississippi could buy places in the schools of other states for only $5,000 each. Others said many veterinarians would not stay after graduating. They argued the graduates would not work in the cattle and packing industries of Mississippi, but would go elsewhere to set up more lucrative small animal practices if there were not openings for such practices in the state.

Medical School Funding Increased

The legislature learned that the University of Mississippi Medical School will be accredited for only three years instead of the usual seven, because of faculty and facility deficiencies. Dr. Norman Nelson, dean of the school, told the legislature that the accreditation was determined by such matters as faculty-student ratios, physical facilities, libraries and contact with patients. He reminded members that the legislature had required increased freshman enrollments, from 122 in 1973 to 150 in 1974, and said this put an extra load on the faculty. He said the larger classes would begin affecting junior courses next fall.

The Budget Commission had recommended $21.3 million for the medical school next year, but the legislature voted to increase this to $22.9 million after Nelson said this level of funding was necessary to avoid cutting back programs. The total includes $9.6 million in general funds and $13 million in special funds. The UMC teaching hospital got $29.9 million, including almost $9.7 million in general funds. The school of nursing got more than $1.6 million, including almost $1 million in general funds. The school of dentistry got $2.35 million, including $1.9 million in general funds, and the school of health-related professions got $1.3 million, including $787,401 in general funds.

Lawmakers from the Gulf Coast and Natchez areas won their long battle with the College Board over student loads at degree-granting branch universities. The 1971 legislature authorized branches with specified student enrollments to award degrees. Because of a reference to part-time students in the authorization act, the board had allowed students to take only 11 semester hours of course work. This in effect permitted students at branches under the semester system to take only three courses and those

at branches under the quarter system to take only two. The legislature raised the permissible work load to 12 hours, in effect adding one course at each campus. The change permits students to qualify for full GI Bill benefits in the future.

Parent Schools to Submit Branch Budgets

The new measure also requires that parent institutions submit special budgets for the branches. Mississippi State has a degree-granting branch at Meridian, Mississippi, one at Tupelo, and Southern Mississippi, branches at Long Beach and Natchez. All three offer courses through the universities' center in Jackson. There are also other resident centers which do not have the enrollments necessary to offer degrees without meeting the residency requirements through the main campuses.

A bill to fund a student loan program enacted a year ago passed the House but died in a Senate committee. It provided $100,000 for loans and $15,000 for administrative expenses and, through federal programs, would have made $500,000 available in guaranteed loans. The legislature also failed to put more money into a medical loan program, which the College Board said is running out of funds. A spokesman said there was enough money for the 43 students already on the program to continue next fall, and officials hope the 1977 session will provide more in January to cover the second semester of work. It allows up to $6,000 a year.

A bill to let 18-year-olds serve on the College Board passed the House, which belatedly discovered the present 25-year-old limitation that was written into the constitution. It was largely a gesture at any rate, since the average board age is 62 at present, 37 years over the minimum.

Also passed were a $20.3 million appropriation for the junior colleges and a $19,031,254 appropriation for vocational and technical education programs under the Board of Education. The junior college bill includes $17.7 million for general support, $2 million for junior college vocational-technical work, and $675,000 for evening academic work.

NORTH CAROLINA Daniel C. Hoover, Raleigh News and Observer

"The problem facing the 1976 General Assembly was essentially what it faced a year earlier, cutting back in face of smaller revenue increases than those projected...."

RALEIGH, June 2--North Carolina's 170 legislators, often wielding an uncertain scalpel with one eye cocked toward the folks at home in an election year, grappled with budget cuts again in their 1976 session, the second in a row in which they found themselves in that unusual position.

Before adjourning late in May, the General Assembly approved a $3.4 billion budget for 1976-77, but not before slashing more than $50 million from the figures it approved tentatively last year. The recent cuts came on top of $288 million trimmed from the budget a year ago as revenue failed to increase anywhere near projections due to the recession.

Emphasis on Trimming Budget

The 1976 session, fourth annual session since the 1973 legislature ordered a session for 1974, was limited to budgetary matters, medical malpractice insurance, and a handful of local bills.

Early in the year, when a $110 million-plus deficit appeared likely, the General Assembly's leadership tentatively scheduled a special session for March. However, as the state's economic recovery continued and some budget-cutting was being undertaken in advance committee sessions, the plan was dropped.

Some legislators, particularly those with ties to public schools and the state university system, engaged in a little political grandstanding by seeking approval of bills granting pay raises of up to 16 percent to those groups. All such efforts, which would have required a tax increase, an unthinkable alternative in an election year, failed to receive the two-thirds vote necessary to be sent to committee in this session.

This legislature, the same elected in 1974, is overwhelmingly Democratic. In the House, 111 of 120 members are Democrats. In the Senate, 49 of 50 are Democrats.

Republican Governor James E. Holshouser, Jr., who later said he didn't want to do anything to antagonize the opposition majority, had little to say during the session. Upon adjournment, Holshouser indicated he viewed some of the assembly's actions in diluting executive branch budgetary-fiscal authority as unconsitutional and held out the possibility he might not enforce them.

Under North Carolina's consitution, the state must have a balanced budget. The problem facing the 1976 General Assembly was essentially what it faced a year earlier, cutting back in the face of smaller revenue increases than those projected by its own fiscal research division and the Office of the Budget.

However, complicating things in 1976 was militancy by the teacher organizations representing the state's more than 50,000 elementary and secondary teachers and administrators.

While those in higher education remained silent as top university officials quietly lobbied, placard-carrying teachers picketed the legislative building and pointedly reminded those inside that state employees had been without a general, across-the-board raise in two years.

Amid the budget-cutting, legislators devised a controversial plan that would allow them to both balance the budget and provide state employees with a modest pay boost, four percent plus $300.

Specifically, they agreed to make larger North Carolina businesses remit their state withholding tax funds on a monthly rather than the long-standing quarterly basis. This would provide a one-time, $67 million windfall.

Despite the emphasis on trimming the budget, some new programs were approved, a few in the higher education realm.

Among them were an additional $5.3 million for enrollment increases in the community college system and $4.3 million for increased enrollment (2,500) in the 16-campus university system.

Funds Transferred and Projects Delayed

As legislative committees grappled with the situation, they turned frequently to transfers of funds and project delays rather than outright cutbacks--where possible.

Some of their actions, affecting the state's higher education system included:

+++Postponing construction of the proposed bed tower for the East Carolina University medical school, in effect, a budget cut of $3.8 million. (ECU officials said the action would not materially affect the development of a four-year medical school and they would seek restoration of the appropriation next year.)

+++Cutting $2.28 million from the Community College System's equipment fund, leaving it at $14.9 million.

+++Slashing $46,580 from a tuition refund program for Department of Correction employees, killing the program in which reimbursements were made for completion of college courses.

+++Eliminating a $268,817 administrator-training program in the Community College System.

+++Reducing the Area Health Education Center (AHEC) budget by $600,000.

The initial planning funds of $500,000 for the proposed school of veterinary medicine at North Carolina State were not reduced by the assembly. These funds become available July 1.

The legislature also approved a section in its budget bill requiring the University of North Carolina to pay into the General Fund the first $10 million from the expected $40 million from the proposed sale of its utilities system to Duke Power Company.

Such action was contingent upon the transaction not being delayed by litigation, generally considered almost certain to force the decision into courts.

Other than the major cutbacks previously enumerated, the operating and capital improvements budgets for the university system and community college system remain essentially the same as approved in the 1975 session.

In a related development, North Carolina voters approved a $43.2 million bond issue for various higher education construction projects at state institutions, which university officials termed necessary to accommodate current enrollments.

FLORIDA David Schultz, Palm Beach Post

"The education funding levels 'represent...an equitable distribution of limited state resources'."

TALLAHASSEE, June 16...Higher education took its lumps in the 1976 session of Florida's legislature but emerged in considerably better shape than many of its supporters had feared. Money remained in short supply, but--

contrary to last year--both the university and community college systems came out of the session with more money than had been appropriated during the previous legislative session. For the universities, however, the legislature mandated some changed priorities.

The legislature provided $272.3 million in general revenue money to the university system compared to $248.1 million in 1975. This included $191.6 million in the lump-sum Education and General item. The community college general revenue appropriation was $161.6 million, compared to $152.8 million a year ago.

In the distribution of capital outlay funds from the gross receipts utility tax, the universities received $22.9 million (compared to $26.1 million in 1975), and the community college system was allocated $27.6 million (compared to $24.9 million a year ago).

Although dissatisfied with what he said was an inadequate level of funding for education, university Chancellor E. T. York commented at session's end that "it does represent, at least, an equitable distribution of limited state resources."

Prior to the session, the Board laid out a contingency plan for reducing fall enrollments based on legislative appropriations. The original contingency plan provided a means of "capping" fall 1976 enrollments at 90 percent of fall 1975 levels. This contingency was strongly criticized by some legislators and was later dropped by the Regents.

Senate Fought for Cuts

The Senate, led by President Dempsey Barron, fought for more severe cuts in education budgets but finally yielded most of its ground to the House. As in the 1975 session, Barron was a rather consistent thorn in the side of the education lobby but didn't inflict any irreparable damage.

Barron's major education fight this year was on his bill to require that 80 percent of the persons admitted to graduate programs in the state universities be selected by lottery rather than by test scores and other objective selection processes. He argued that too many otherwise qualified students are being turned away from graduate and professional programs solely because their undergraduate grades were less than outstanding.

The Senate Education Committee held several hearings on the bill--which drew major opposition from the Board of Regents and university officials--before amending the 80 percent figure down to 20 percent. The bill eventually died without ever coming to a vote on the floor of either house, but Chancellor York commented that "its existence and the related public debate revealed some serious problems in public perceptions about graduate admissions."

Another issue which commanded attention was legislation to place a student member on the Board of Regents. With the support of both Barron and House Speaker Donald Tucker, the bill ultimately passed both houses only to be vetoed by Governor Reubin Askew.

The governor, saying he was sympathetic to the goal of giving students a greater voice in the policy-making functions of the universities, rejected the bill on grounds it would create a special class of representation on the board and would lead in future years to demands for representation by faculty members and staff as well. Askew said he would support a student non-voting member with the same resources available to the nine voting members but he didn't believe a student appointed for a one-year term would have the ability to tend to his studies while learning the intricacies of the university system and casting votes on crucial issues.

Legislature Wants More Emphasis on Teaching

The legislature emphasized strongly in the appropriations act that it wants a de-emphasis on research and more emphasis placed on the teaching aspects of the universities--especially at the undergraduate level. The Senate was particularly adamant on this point, drastically slashing research money to the point that university officials feared that it would have serious effects on existing research programs.

Senator Jack Gordon, chairman of the Ways and Means Committee, also charged that university administrators had no idea of the relative costs of various programs, making it impossible to budget them properly. York denied this, but the legislature's appropriations bill provided specifically that the regents develop cost finding principles for their various disciplines and programs.

Also included in the appropriations bill was a requirement that the regents evaluate the desirability for continuation of graduate programs in the categories in which the university taught fewer than 450 student credit hours during the 1975-76 fall quarter. The board later said it would consider setting minimum class sizes of 15 in the lower division, 12 in the upper division and seven in the graduate programs.

Tuition Raised Again

Tuition was raised again in 1976, but by vote of the regents instead of the legislature--a practice which was established four years earlier. This time, however, the legislature passed a bill taking the tuition-raising authority from the regents and again placing it with the full legislature.

The regents, with the approval of the State Board of Education, raised tuition from $14 to $15 per hour on the lower level, from $15 to $16.50 on the upper level, from $20 to $22 on the graduate level, and from $22 to $24 on the thesis/dissertation level. Out-of-state students will pay an additional $23 per hour at the lower level, $35 at the upper level and $40 at the graduate, thesis and dissertation levels.

The fee hikes touched off protests from students, who made one march to the Capitol steps to register their unhappiness.

Salary Increase Granted

The best news for faculty and staff members was the fact that the legislature granted a substantial salary increase for the first time in two years. The salaries of state employees were frozen a year ago as Florida felt the effects of the economic recession.

The legislature, recognizing formally for the first time that women faculty members had been discriminated against in pay because of their sex, ordered that making up the inequities be given top priority in determining how the increased salary money would be allocated.

Enrollments in teacher education programs and the potential job market for elementary and secondary education teachers was another legislative concern. In proviso language in the Appropriations Act, the legislature required that teacher education enrollments be reduced 10 percent at the entering junior class level. This will result in a limit of 10,462 full-time equivalent students in undergraduate teacher education programs. The legislature also directed that emphasis be shifted from pre-service teacher training to programs of in-service training for educational personnel throughout their careers.

Also mandated was a common course numbering system in both the universities and community colleges by March 31, 1977. However, bills establishing a common calendar failed to pass.

For the first time, the university system participated in a "Florida Coalition for Responsible Funding of Education" which was dedicated to encouraging the legislature to provide more money for all levels of education. The effort failed this year because of the insistence by both Senate President Barron and Governor Askew that taxes not be increased, but plans were drawn to continue the coalition's efforts into 1977.

In a related development, the faculties of the university system chose a state collective bargaining agent not affiliated with any national groups to begin bargaining for the 1976-77 academic year. The legislature took no further action on collective bargaining but appears to be taking a wait and see attitude.

The Board of Regents approved construction of multi-purpose arenas on selected campuses using excess student fees. This action created some discussion and controversy amongst legislators and others because, at the same time, the Board was increasing tuition fees. The Board defended its actions by stating that these excess student fees are required to be spent on capital projects only.

SOUTH CAROLINA Levona Page, The State

A new provision "...halts the almost automatic expansion of two-year university branches into four-year colleges."

COLUMBIA, July 28--One of the hardest fought education battles in recent South Carolina legislative sessions erupted again in 1976 when efforts were made to halt further funding for the state's second medical school.

A tight budget and election-year politics combined to revive the opposition to the medical school which received its first state funding in 1974. It was approved that year only after a strong push from then-Governor John C. West and a commitment from the federal government for a $20 million grant for the first seven years.

The lingering opposition was concentrated largely among lawmakers from Charleston, home of the state's first medical school, but they gained some other supporters, including Representative B. L. Hendricks, D-Pickens, chairman of the House Medical Affairs Committee. Hendricks' committee sponsored a hearing at which University of South Carolina officials conceded that they would need more state funds to run the new medical school than they had estimated in 1974.

Governor James B. Edwards, who was a freshman state senator from Charleston when the legislature approved the new medical school and was an opponent then, was among officials who expressed concern about its potential cost to the state. Edwards, the first Republican governor in South Carolina in 100 years, did not choose to become actively involved in the legislature's renewed debate on the issue, however. Except for holding some private discussions with the lawmakers largely for an exchange of information, Edwards said he would go along with what the legislature decided and he did not attempt any arm-twisting.

Although the medical school issue loomed for weeks as the hottest one of the 1976 session, it was resolved quietly when Hendricks and others agreed on a provision aimed at reducing competition for state funds between the Medical University of South Carolina at Charleston and the new medical school at the University of South Carolina.

The compromise provision, which became law as part of the state appropriations bill, created a dean's committee whose purpose is to establish an active liaison between the two schools. The legislature carefully stipulated "it is not the intent of the General Assembly to merge the the two schools of medicine or to place either school in a position of control over the other."

USC Medical School Problems

While that compromise resolved the conflict over continuation of the new school, the USC medical school continued to have its problems. Already

feeling the pinch of an eight percent cut back ordered for all state agencies in the fall, 1975, the medical school got only $807,000 of the $1.2 million it had requested for the 1976-77 budget.

Scarely had the legislature passed the budget when the medical school got word from the accrediting committee of the American Medical Association and the Association of American Medical Colleges that it had won provisional accreditation--but not until 1977. The one-year deferment meant the medical school could not accept its first class of 32 students in the fall of 1976 as planned. The students on the accepted list and 24 standbys, all South Carolinians, were notified July 1 of the delay and some said they would enroll in other schools.

USC officials had not given up all hope, however, of being able to admit a class before the fall of 1977. The officials said they would consider the possibility of asking the accrediting committee's permission to admit a class in January. A decision on whether or not to make that request, they said, would hinge on how quickly USC can remove the deficiencies cited by the accrediting committee. The major deficiency, according to USC, was the lack of fully developed clinical facilities and residency programs in affiliated hospitals and the need for further development of the departments of pediatrics and surgery.

The accrediting committee also expressed concern about the state funding for the medical school, USC said. Acting Medical School Dean Francis Abel speculated that the approval of provisional accreditation, even though deferred, will improve the medical school's chances for increased state funding in 1977.

Funding: Higher Education Versus the Public Schools

There had been talk in legislative circles for more than a year of shifting emphasis, as far as state funding goes, from higher education to the public schools. During budget debate in the spring, some House members attempted to do just that and they eventually forced a compromise whereby higher education funding would not be reduced, but a liquor tax increase was adopted to raise more money for public schools. One House member, Representative James H. Moss, D-Beaufort, argued, "How can we spend $2,600 per pupil in higher education and only $500 per primary student and $700 per secondary student?"

The Senate changed the House proposal, but the legislature did pass a liquor surtax which gave the schools an additional $4.50 per pupil (for a total of $39.50) as a kickback from the state for operational aid.

The next fiscal year's budget is expected to reflect a little more strongly the shift in emphasis from higher education to public schools. The State Budget and Control Board, headed by Governor Edwards, approved tentative allocations for 1977-78 which slightly decreased the percentage of the total state budget going to higher education. Those agencies and institutions would get 15.6 percent of the total $1.2 billion budget, compared to 15.7 percent in the 1976-77 budget.

The public schools, on the other hand, are tentatively allocated 36.76 percent of the budget, compared to 35.6 percent in the current fiscal year. The decrease in higher education's percentage of the total budget, however, did not mean a decrease in funding. The agencies and institutions are tentatively allocated an 8.9 percent increase over the current year.

State auditor William T. Putnam said, "The emphasis has been changed significantly, but it is going to take a lot longer for it to show up in percentages (of the total budtet)."

Higher Education Reorganization

Early in the 1976 legislative session, it appeared that reorganization of the South Carolina Commission on Higher Education might be one of the predominant issues of the year. Governor Edwards made it one of the major topics of his state of the state address in January and he called for a larger commission with more authority over the programs offered at the colleges and universities.

The Republican governor's comments were an echo of the recommendations of the Democratic-dominated legislature's study committee on duplication in higher education. The study committee, headed by Senator Robert C. Lake Jr., D-Newberry, wrote a report recommending an increase in the authority of the Commission on Higher Education. A key section of the proposed legislation would give the commission the power to discontinue any university or college program it did not consider needed. The commission now only has the authority to approve new offerings, but cannot discontinue programs already in operation.

The Lake committee bill would have removed from the commission the representatives of the colleges and universities and replaced them with persons who had no ties to the institutions.

The bill appeared to be stalled in the Senate until it was given a second reading as a result of a quick parliamentary maneuver which caught most senators by surprise. The bill received final reading in the Senate during the last hours of the 1976 session, but time ran out and there was no action in the House.

The legislature did pass one key section of the bill by making it part of the state appropriations bill. That provision halts the almost automatic expansion of two-year university branches into four-year colleges. Under a 1972 law, which the provision repealed, the branches were allowed to expand once they reached a certain enrollment and got approval of the parent university's board of trustees.

Technical Education Compromise

A dispute over the hiring of a director for the Horry-Georgetown Technical Education Center and over the salaries for staff there and in Charleston led to a bill giving local TEC boards a stronger voice in state decisions

on their institutions. The bill, introduced by Representative Charles E. Hodges, D-Horry, had 69 co-sponsors. The legislation gave local TEC institutions the authority to appoint their directors from candidates recommended by a committee of the local TEC chairman, the state TEC board chairman and the head of another TEC institution. On salaries, the new law states that local TEC commissions can set the salary for TEC directors as long as it is within the range set by the state TEC board.

The disputes that led to the bill arose when the state TEC commission said a local commission could not supplement the state-paid salary for a director. Also, the state TEC director, under his authority to name the local TEC director, had rejected all three nominees for the Horry-Georgetown center. He said none were qualified.

Opponents of the TEC legislation said it converted the state board into a feeble coordinating agency with no control over academic criteria or budgets.

The legislature gave all state employees, including those at the higher education institutions, a four percent salary increase in July, with another one percent promised in January, 1977, under the state appropriations bill.

Cut Backs

The higher education institutions, like all the state agencies, underwent an eight percent budget cutback in the fall, 1975. The possibility of another budget trimming was looming as the 1976-77 fiscal year began. Tax officials said revenue collections were running behind what had been anticipated.

The state board for Comprehensive and Technical Education got a slim increase in state funds of about $300,000 for 1976-77, giving it a total state appropriation of $28.1 million. The agency had requested $35.3 million. Its total funding, including that from federal sources, was about $53.5 million.

Appropriations

Following is a summary of state funding for the colleges and universities:

Institution	1975-76 Appropriation	1976-77 Appropriation
University of South Carolina	$43.1 million	$43.5 million
USC Aiken campus	1 million	1.3 million
USC Coastal campus	1.3	1.6
USC Spartanburg campus	1.5	1.8
USC regional campuses	2.467	2.475
Clemson University	24.6	25.2
The Citadel	5.7	5.9
Winthrop College	6.6	6.7
South Carolina State College	7.2	7.3
Francis Marion College	3.5	3.6
College of Charleston	7.1	7.4
Lander College	2.611	2.647
Medical University of S.C.	40.8	39.7

LOUISIANA Edwin W. Price, Jr., Baton Rouge Morning Advocate

"Little substantive higher education legislation...passed..., the legislature opting for 'study resolutions' instead of direct attacks upon pressing problems."

BATON ROUGE (Sept. 28)--Louisiana's 1976 Legislature came up with $13 million additional for higher education, but still was $18.8 million short of recommendations by the Board of Regents, which governs all state universities.

All requests for financing capital improvements and equipment purchases were temporarily shelved when the House refused to concur in a multi-million capital outlay bill, bloated with Senate amendments carrying the blessing of Governor Edwin Edwards. A special session is scheduled in October to reconsider the capital outlay legislation.

Among the disputed projects in the bill were large appropriations for adding nursing schools at nearly every state college. Opponents said many of the colleges did not want nursing schools and improving existing schools was the logical solution.

Adjournment of the regular session without a capital outlay bill brought about the possibility of no new capital construction at any university for at least another year.

Operational Funding Level Rate Lower

The level of operational funding for 1976-77 failed to keep up with normal growth with the result that average funding was 81.6 percent of a uniform formula based primarily on student classroom hours. The average rate for the previous fiscal year was 88.5 percent.

For 1975-76 the minimum formula implementation for the universities was 85 percent; the minimum for 1976-77 is 80 percent with all but five universities funded at the minimum level. Also fewer federal funds will be paid the universities in 1976-77 compared to previous years.

By systems, average formula implementation dropped from 94.7 percent to 81.1 percent for the colleges under the Board of Trustees for Higher Education; from 88.8 percent to 84.5 percent for those under the Southern University board; and from 88.5 percent to 81.6 percent for campuses under the Louisiana State University board.

Correspondingly, a number of colleges--including Louisiana State University--increased student fees this fall. The overall financial picture for higher education in Louisiana:

+++All funds available for 1976-77, $279.2 million, up $19.2 million from the previous year.

+++Total state funds appropriated, $211.3 million, up $13 million.

+++Self-generated revenues, $59.9 million, up $6.8 million.

+++Anticipated federal funds, $8 million, down $500,000

The $13 million in new state monies compares with the recommendations of the Board of Regents for $31.8 million in new revenue, that figure pared down considerably from the budget requests of the individual universities.

(Editor's note: Following the session, the Board of Regents recommended that the higher education institutional management boards initiate a "moderate increase in tuition," pointing out that tuition has not increased significantly in the past seven years.)

Non-formula Appropriations

Actually, only a little more than half of the $13 million increase goes toward student hour formula funding. The largest non-formula appropriations, up $7 million from this year, are $26.4 million for LSU-operated medical centers in New Orleans and Shreveport; $21.5 million for operating the LSU agricultural science center; $17.3 million for debt service, lab schools and firemen training on the Baton Rouge campuses of Southern and LSU; $2.2 million for administrative expenses of operating boards of all universities; $2.4 million for the veterinary medicine program at LSU-Baton Rouge and $1.4 million for original research and publication services of the LSU system. Other non-formula appropriations provide $200,000 to McNeese State for shrimp research and $300,000 to Grambling for library acquisitions.

Special Legislative Studies

Little substantive higher education legislation, other than appropriations, was passed during the 1976 session, the legislature opting for "study resolutions" instead of direct attacks upon pressing problems. Almost 20 special legislative studies were authorized on higher education problems ranging from converting LSU-Alexandria to a four-year college to lowering costs of books to students.

Other proposed studies include uniform summer pay for faculty, sharing university facilities with vocational-technical schools, reciprocity agreements on fees and programs with other states, probable uses of unoccupied dormitory space, and requiring high school Spanish in some instances.

Last year's authorization for state payments to nonpublic institutions of higher learning was reenacted at the same rate of $125 a student each semester. Residency requirements to receive payments were eased to make them identical to those for paying LSU fees.

Another new act authorizes colleges to grant associate degrees to students finishing proposed 13th and 14th grade courses in high schools. And another classifies members of the military services and their dependents as residents of Louisiana for the purpose of university tuitions.

Bills left hanging on the calendar when the legislature adjourned covered cost of living increases for university faculties, uniform systems of tenure and sabbatical leave for academic personnel, reciprocal agreement with neighboring states on out-of-state tuition and a state income tax exemption on higher education expenses.

Appropriations for Individual Institutions

Here's how individual universities and systems fared in the annual appropriations race:

(Expressed in millions of dollars)

	1975-76 Formula Funding	1976-77 Formula Funding	Increase	Percent Formula Implementation	Total All State Sources	Increase
Total Entire LSU System	$ 52.5	$ 54.0	$ 1.5	81.6 %	$108.1	$ 7.8
LSU at Baton Rouge	33.7	33.9	0.2	90.0	38.8	1.4
University of New Orleans	12.4	13.4	1.0	80.0	13.5	1.1
LSU at Shreveport	3.3	3.3	---	107.9	3.3	---
LSU at Alexandria	1.9	2.1	0.2	80.6	2.1	0.3
LSU at Eunice	1.2	1.3	0.1	89.7	1.3	0.1
Other Areas	---	---	---	---	49.1	4.9

(Expressed in millions of dollars)

	1975-76 Formula Funding	1976-77 Formula Funding	Increase	Percent Formula Implementation	Total All State Sources	Increase
Total Entire Southern System	$ 16.3	$ 17.0	$ 0.7	84.5 %	$ 18.2	$ 0.9
Southern at Baton Rouge	12.1	12.4	0.3	85.9	12.9	0.4
Southern at New Orleans	2.9	3.3	0.4	80.0	3.3	0.4
Southern at Shreveport	1.3	1.3	---	84.1	1.3	---
Total Entire Trustees System	80.5	84.2	3.8	81.1	85.0	4.3
Southwestern	13.7	14.5	0.8	80.0	14.5	0.8
Northeast	12.1	12.4	0.3	80.0	12.4	0.3
Louisiana Tech	11.2	11.4	0.2	79.9	11.4	0.2
Northwestern	9.6	9.8	0.2	80.2	9.8	0.2
Southeastern	8.2	8.7	0.5	80.1	8.7	0.5
McNeese	7.6	7.8	0.2	80.0	7.8	0.2
Nicholls	6.9	7.4	0.5	80.0	7.6	0.7
Grambling	6.0	6.0	---	98.8	6.3	0.3
Delgado	5.1	6.2	1.1	79.9	6.2	1.1
Total All Three Systems	149.2	155.2	6.0	81.6	211.3	13.0

ALABAMA Al Fox, The Birmingham News

"...it was secondary and elementary schools which received the big chunk of state education funds."

MONTGOMERY, October 15--The battle of the budget in the 1976 session of the Alabama Legislature was won by secondary and elementary schools and the four-year institutions of higher learning face another tough road when lawmakers go into session early next year

Record Appropriation Made

In the first annual session in the history of Alabama, lawmakers approved a one-year education budget of nearly $827 million with the biggest chunk going to fund the secondary and elementary levels. The record appropriation was possible because the lawmakers had a $135-million surplus left over from the previous year and when it was over most of that money had found its way into the Special Education Trust Fund (SETF) budget.

Although an estimated $30-million surplus was anticipated for this year, more than half that amount is expected to be needed to fund the Teacher Retirement Fund before the year is out. The retirement fund was appropriated $109 million but it is estimated that an added $15 million to $20 million will be needed this fiscal year.

The big cut in higher education came in a four percent cut across the board in the operations and maintenance funds for the four-year institutions. However, the across-the-board cut was confined to 11 of the 13 institutions, since the two predominantly black institutions were excluded from the cut.

The Education Budget Battle

The education budget battle became a struggle between the Alabama Senate and House of Representatives, with the upper chamber forces, closely aligned with Lieutenant Governor Jere Beasley, winning the upper hand as the session ended. But the central figure in the session-long battle was a nonlegislator, Dr. Paul Hubbert, executive secretary of the politically powerful Alabama Education Association (AEA).

School Teachers Unite

In the 1974 elections, an organization known as A-VOTE (A Voice of Teachers for Education) was organized and threw its political and financial power behind the election of legislators.

Directed out of the AEA office, the move was successful as the A-VOTE group supported approximately 80 of the 105 House members and approximately 25 of the 35 members of the Senate. It paid off when it came to budget time.

Although passed reasonably early in the session, the SETF budget became a captive of the fight over the General Fund budget, which was not sent to the governor until the final day of the session.

While the Senate debated the General Fund budget, House Speaker Joe McCorquodale refused to accept the SETF budget and allowed it to lie on the clerk's desk until the Senate passed its version of the General Fund budget.

The two measures were worked out in conference committee, the SETF budget coming first. It was in the conference committee that House members prevailed and prevented the operations and maintenance cut for four-year institutions from being eight and one-half percent as proposed by the Senate. The Senate also had cut the two predominantly black schools (Alabama State in Montgomery and Alabama A&M in Huntsville) by four percent, but the full cut was restored to these two schools.

It was secondary and elementary schools which received the big chunk of state education funds. Out of the $827 million, the Minimum Program Fund (MPF) received $382,213,452 for the year.

Private College Funding Snipped

Caught up in the final hours in the Senate during a filibuster over a non-related matter were five private institutions of education which had received funds from the state for several years. These included famed Tuskegee Institute which lost $1.2 million when the separate measures didn't come up for consideration.

A few days after the session, Senator L.D. Owen of Bay Minette, chairman of the powerful Senate Finance and Taxation Committee, pre-filed a bill to add all church-related schools in the state. Some observers thought this might have the ultimate effect of eliminating the private schools from state funding.

AEA forces overwhelmingly beat back an attempt proposed by Governor George C. Wallace to divert $18 million from earmarked SETF taxes for mental health. And another proposal not to earmark all taxes failed to get off the ground.

The Alabama Association of School Boards (AASB), shocked over the growing influence of the AEA over the Alabama Legislature, became politically active and moved its headquarters to Montgomery.

The biggest victory of the school board lobby was in the defeat of an AEA-sponsored measure that would have established a "meet and confer" policy between school boards and a group representing teachers which opponents of the measure claimed would be the first step toward collective bargaining with AEA as the bargaining agent.

Ironically, it was an AEA member and junior high principal, Representative James Sasser of Ozark, who was the most vocal opponent of the meet and confer bill. And AEA suffered another setback when a measure calling for compulsory dues checkoff for the organization failed to pass.

Commission Denied Additional Powers

The Legislature turned its back on a proposal to give the Alabama Commission on Higher Education (ACHE) more authority and enforcement powers. ACHE can only make studies and recommendations and has no power to prevent a member institution from expanding existing programs or creating a conflicting program with a nearby institution without proving the need.

ACHE says the fragmentation of existing programs among several schools where it is not needed has been one of the causes of the growing costs of higher education.

On the lower end of the education spectrum, the Legislature once again failed to fund other than a pilot program for a public school program at the kindergarten level, Alabama being one of the few states in the nation without one.

There have been continued efforts among some legislators to establish a Board of Regents for the state's universities--three of which are controlled by one Board of Trustees--but it has failed to get off the ground.

The University of Alabama system--which has campuses in Tuscaloosa, Birmingham and Huntsville--did establish a chancellorship and named Dr. Joseph Volker, who had been president of the University of Alabama in Birmingham, as the first chancellor.

But the Alabama Board of Trustees, which is the only self-perpetuating board in the university system, controls three schools--all of which are currently without a president. No successor has been named to Volker in Birmingham; Dr. David Mathews at the Tuscaloosa institution is on leave to serve as Secretary of the Department of Health, Education, and Welfare and Dr. Benjamin Graves of Huntsville is on leave.

Regency System Unpopular With State Colleges

Few of the institutions of higher learning, all of which have independent boards of trustees appointed by the governor, have indicated support for a system of regents. That is the reason another attempt will be made to put some teeth in a proposal to give ACHE more power to require schools to justify expansion moves but leave each school with a separate board of trustees.

(The ACHE was named the state's "1202" postsecondary education planning agency by an executive order from Governor Wallace. This consolidated postsecondary efforts which had earlier been assigned to a special commission.)

One of the reasons for the growing demand on the retirement fund was the passage of two AEA-sponsored bills which will allow teachers to retire with 30 years of service and to claim up to four years of military service toward retirement.

It was the first time that neither a governor nor the AEA has sought a pay raise for teachers in more than a decade. With a growth of 13.2 percent in the tax structure supporting education for the year ending last September (compared with an 11 percent increase the year before), and a projected increase for the coming year if the trend in sales and income taxes--the two big education taxes--continues, a pay raise is expected to be high on the AEA list when the Legislature returns to session in February.

Two-Year and Technical Colleges Fare Well

The junior college and trade school programs continued to fare well with the legislators since hardly a member of the lawmaking body represents a district that does not have one or the other, or a large constituency served by a nearby school.

But some of the junior colleges are coming under close scrutiny from the State Department of Examiners and Accounts after annual audits have discovered cases where claims have been made for full-time students when they were not. In fact, one school faces a charge back of almost $500,000 for alleged false claims of student enrollment. The Legislature is expected to take a close look at all enrollment figures before the next budget is submitted.

Department of Education Restructured

The Legislature passed a measure restructuring the upper echelon of the State Department of Education, giving the State Superintendent of Education more control over division heads. Heretofore, all division heads have been under the State Merit System and could be dismissed only for cause. The new law removes all division heads from the merit system but provided that the current division chiefs would remain in office until retirement or resignation.

In addition, the Legislature provided the superintendent with a total of five assistant superintendents, all over specific areas of the education programs. At the same time the bill was passed, the state had only one assistant superintendent.

For the first time in history, the state board granted the new Superintendent of Education, Dr. Wayne Teague, a contract for four years. Heretofore, the superintendent served at the pleasure of the board after a Constitutional Amendment was passed in 1968 making the superintendent an appointive rather than elective post and having board members elected from eight separate districts rather than appointed by the governor.

A salary for the superintendent was set at not more than $40,000 with a range for assistant superintendents from $30,000 to $34,000 and for division chiefs from $27,000 to $31,000 annually.

Educators had requested a $2.2 million appropriation for the training of home-bound students but the Legislature failed to appropriate any money. Governor Wallace, himself confined to a wheelchair after being paralyzed in an assassination attempt in 1972, offered an executive amendment calling for $1.4 million for the program which was readily accepted by the Legislature.

Tougher Budget Fight Predicted for 1977

But even before the ink was dry on the first one-year budget in state history and the first dime was spent, an even tougher fight was shaping up for the 1977 session.

An interim budget control subcommittee of the Legislature has set out on a course to find other ways to trim back appropriations for higher education.

Although Lieutenant Governor Beasley is not a member of the legislative body, he was appointed chairman of the subcommittee by Senator Owen.

During the last session, Owen's committee charged several of the state's universities with transferring unspent operations and maintenance money to capital outlay account at the end of the fiscal year rather than showing it as a surplus and returning the unused money to the state treasury.

The subcommittee already has adopted a format for further studies into an in-depth examination of appropriations and with a critical view at higher education.

A voluminous questionaire has been sent to all state agencies, but it is the one to higher education that has brought on the most criticism, some of the educators claiming the report is too detailed for it to be completed by the November 1 deadline.

The subcommittee contends that institutions of higher learning have more than $180 million in various investments which no one knew about. But this is strongly denied by the institutions who point out that most of those funds are from private sources and were provided to the school for the financial support of certain programs and cannot be used in other fields.

The information requested by the Senate subcommittee includes such items as the amount paid to various contractors for new construction, architects' fees, attorneys' fees, cost of the acquisition of land. Some of the information requested dates back more than a decade.

Higher education is girding for another tough legislative fight, realizing that until the end of this term of the legislature secondary and elementary education holds the upper hand with AEA's sponsorship of the A-Vote program that worked so effectively in the past session.